



Rep. Lou Lang

Filed: 5/31/2008

09500HB2650ham003

LRB095 01227 AMC 51848 a

1 AMENDMENT TO HOUSE BILL 2650

2 AMENDMENT NO. _____. Amend House Bill 2650 by replacing
3 everything after the enacting clause with the following:

4 "ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the
6 Chicago Casino Development Authority Act.

7 Section 1-5. Definitions. As used in this Act:

8 "Authority" means the Chicago Casino Development Authority
9 created by this Act.

10 "Board" means the board appointed pursuant to this Act to
11 govern and control the Authority.

12 "Casino" means one temporary land-based facility and a
13 permanent land-based facility, at each of which lawful gambling
14 is authorized and licensed as provided in the Illinois Gambling
15 Act.

1 "City" means the City of Chicago.

2 "Casino operator licensee" means any person or entity
3 selected by the Authority and approved and licensed by the
4 Gaming Board to manage and operate a casino within the City of
5 Chicago pursuant to a casino management contract.

6 "Casino management contract" means a legally binding
7 agreement between the Authority and a casino operator licensee
8 to operate or manage a casino.

9 "Executive director" means the person appointed by the
10 Board to oversee the daily operations of the Authority.

11 "Gaming Board" means the Illinois Gaming Board created by
12 the Illinois Gambling Act.

13 "Mayor" means the Mayor of the City.

14 Section 1-12. Creation of the Authority. After the 5
15 members of the Illinois Gaming Board are appointed and
16 qualified pursuant to this amendatory Act of the 95th General
17 Assembly, there is hereby created a political subdivision, unit
18 of local government with only the powers authorized by law,
19 body politic, and municipal corporation, by the name and style
20 of the Chicago Casino Development Authority.

21 Section 1-13. Duties of the Authority. It shall be the duty
22 of the Authority, as a casino licensee under the Illinois
23 Gambling Act, to promote, operate, and maintain a casino in the
24 City. The Authority shall construct, equip, and maintain

1 grounds, buildings, and facilities for that purpose. The
2 Authority has the right to contract with a casino operator
3 licensee and other third parties in order to fulfill its
4 purpose. The Authority is granted all rights and powers
5 necessary to perform such duties.

6 Section 1-15. Board.

7 (a) The governing and administrative powers of the
8 Authority shall be vested in a body known as the Chicago Casino
9 Development Board. The Board shall consist of 3 members
10 appointed by the Mayor. All appointees shall be subject to
11 background investigation and approval by the Gaming Board. One
12 of these members shall be designated by the Mayor to serve as
13 chairperson. All of the members appointed by the Mayor shall be
14 residents of the City.

15 (b) Board members shall receive \$300 for each day the
16 Authority meets and shall be entitled to reimbursement of
17 reasonable expenses incurred in the performance of their
18 official duties. A Board member who serves in the office of
19 secretary-treasurer may also receive compensation for services
20 provided as that officer.

21 Section 1-20. Terms of appointments; resignation and
22 removal.

23 (a) The Mayor shall appoint one member of the Board for an
24 initial term expiring July 1 of the year following approval by

1 the Gaming Board, one member for an initial term expiring July
2 1 three years following approval by the Gaming Board, and one
3 member for an initial term expiring July 1 five years following
4 approval by the Gaming Board.

5 (b) All successors shall hold office for a term of 5 years
6 from the first day of July of the year in which they are
7 appointed, except in the case of an appointment to fill a
8 vacancy. Each member, including the chairperson, shall hold
9 office until the expiration of his or her term and until his or
10 her successor is appointed and qualified. Nothing shall
11 preclude a member from serving consecutive terms. Any member
12 may resign from office, to take effect when a successor has
13 been appointed and qualified. A vacancy in office shall occur
14 in the case of a member's death or indictment, conviction, or
15 plea of guilty to a felony. A vacancy shall be filled for the
16 unexpired term by the Mayor with the approval of the Gaming
17 Board.

18 (c) The Mayor or the Gaming Board may remove any member of
19 the Board upon a finding of incompetence, neglect of duty, or
20 misfeasance or malfeasance in office or for a violation of this
21 Act. The Gaming Board may remove any member of the Board for
22 any violation of the Illinois Gambling Act or the rules and
23 regulations of the Gaming Board.

24 Section 1-25. Organization of Board; meetings. After
25 appointment by the Mayor and approval of the Gaming Board, the

1 Board shall organize for the transaction of business. The Board
2 shall prescribe the time and place for meetings, the manner in
3 which special meetings may be called, and the notice that must
4 be given to members. All actions and meetings of the Board
5 shall be subject to the provisions of the Open Meetings Act.
6 Two members of the Board shall constitute a quorum. All
7 substantive action of the Board shall be by resolution with an
8 affirmative vote of a majority of the members.

9 Section 1-30. Executive director; officers.

10 (a) The Board shall appoint an executive director, subject
11 to completion of a background investigation and approval by the
12 Gaming Board, who shall be the chief executive officer of the
13 Authority. The Board shall fix the compensation of the
14 executive director. Subject to the general control of the
15 Board, the executive director shall be responsible for the
16 management of the business, properties, and employees of the
17 Authority. The executive director shall direct the enforcement
18 of all resolutions, rules, and regulations of the Board, and
19 shall perform such other duties as may be prescribed from time
20 to time by the Board. All employees and independent
21 contractors, consultants, engineers, architects, accountants,
22 attorneys, financial experts, construction experts and
23 personnel, superintendents, managers, and other personnel
24 appointed or employed pursuant to this Act shall report to the
25 executive director. In addition to any other duties set forth

1 in this Act, the executive director shall do all of the
2 following:

3 (1) Direct and supervise the administrative affairs
4 and activities of the Authority in accordance with its
5 rules, regulations, and policies.

6 (2) Attend meetings of the Board.

7 (3) Keep minutes of all proceedings of the Board.

8 (4) Approve all accounts for salaries, per diem
9 payments, and allowable expenses of the Board and its
10 employees and consultants.

11 (5) Report and make recommendations to the Board
12 concerning the terms and conditions of any casino
13 management contract.

14 (6) Perform any other duty that the Board requires for
15 carrying out the provisions of this Act.

16 (7) Devote his or her full time to the duties of the
17 office and not hold any other office or employment.

18 (b) The Board may select a secretary-treasurer to hold
19 office at the pleasure of the Board. The Board shall fix the
20 duties of such officer.

21 Section 1-31. General rights and powers of the Authority.
22 In addition to the duties and powers set forth in this Act, the
23 Authority shall have the following rights and powers:

24 (1) Adopt and alter an official seal.

25 (2) Establish and change its fiscal year.

1 (3) Sue and be sued, plead and be impleaded, all in its
2 own name, and agree to binding arbitration of any dispute
3 to which it is a party.

4 (4) Adopt, amend, and repeal by-laws, rules, and
5 regulations consistent with the furtherance of the powers
6 and duties provided for.

7 (5) Maintain its principal office within the City and
8 such other offices as the Board may designate.

9 (6) Select locations in the City for a temporary and a
10 permanent casino, subject to final approval by the Gaming
11 Board.

12 (7) Conduct background investigations of potential
13 casino operator licensees, including its principals or
14 shareholders, and Authority staff. The Authority may
15 request the assistance of the Office of Gaming Enforcement.

16 (8) Employ, either as regular employees or independent
17 contractors, consultants, engineers, architects,
18 accountants, attorneys, financial experts, construction
19 experts and personnel, superintendents, managers and other
20 professional personnel, and such other personnel as may be
21 necessary in the judgment of the Board, and fix their
22 compensation.

23 (9) Own, acquire, construct, equip, lease, operate,
24 and maintain grounds, buildings, and facilities to carry
25 out its corporate purposes and duties.

26 (10) Enter into, revoke, and modify contracts, subject

1 to final approval of the Gaming Board.

2 (11) Enter into a casino management contract subject to
3 the final approval of the Gaming Board.

4 (12) Develop, or cause to be developed by a third
5 party, a master plan for the design, planning, and
6 development of a casino.

7 (13) Negotiate and enter into intergovernmental
8 agreements with the State and its agencies, the City, and
9 other units of local government, in furtherance of the
10 powers and duties of the Board. However, the Authority may
11 not enter into an agreement with the State Police.

12 (14) Receive and disburse funds for its own corporate
13 purposes or as otherwise specified in this Act.

14 (15) Borrow money from any source, public or private,
15 for any corporate purpose, including, without limitation,
16 working capital for its operations, reserve funds, or
17 payment of interest, and to mortgage, pledge, or otherwise
18 encumber the property or funds of the Authority and to
19 contract with or engage the services of any person in
20 connection with any financing, including financial
21 institutions, issuers of letters of credit, or insurers and
22 enter into reimbursement agreements with this person or
23 entity which may be secured as if money were borrowed from
24 the person or entity.

25 (16) Issue bonds as provided for under this Act.

26 (17) Receive and accept from any source, private or

1 public, contributions, gifts, or grants of money or
2 property to the Authority.

3 (18) Provide for the insurance of any property,
4 operations, officers, members, agents, or employees of the
5 Authority against any risk or hazard, to self-insure or
6 participate in joint self-insurance pools or entities to
7 insure against such risk or hazard, and to provide for the
8 indemnification of its officers, members, employees,
9 contractors, or agents against any and all risks.

10 (19) Exercise all the corporate powers granted
11 Illinois corporations under the Business Corporation Act
12 of 1983, except to the extent that powers are inconsistent
13 with those of a body politic and corporate of the State.

14 (20) Do all things necessary or convenient to carry out
15 the powers granted by this Act.

16 Section 1-32. Ethical Conduct.

17 (a) Board members and employees of the Authority must carry
18 out their duties and responsibilities in such a manner as to
19 promote and preserve public trust and confidence in the
20 integrity and conduct of gaming.

21 (b) Except as may be required in the conduct of official
22 duties, Board members and employees of the Authority shall not
23 engage in gambling on any riverboat, in any casino, or in an
24 electronic gaming facility licensed by the Illinois Gaming
25 Board or engage in legalized gambling in any establishment

1 identified by Board action that, in the judgment of the Board,
2 could represent a potential for a conflict of interest.

3 (c) A Board member or employee of the Authority shall not
4 use or attempt to use his or her official position to secure or
5 attempt to secure any privilege, advantage, favor, or influence
6 for himself or herself or others.

7 (d) Board members and employees of the Authority shall not
8 hold or pursue employment, office, position, business, or
9 occupation that may conflict with his or her official duties.
10 Employees may engage in other gainful employment so long as
11 that employment does not interfere or conflict with their
12 duties. Such employment must be disclosed to the Executive
13 Director and approved by the Board.

14 (e) Board members and employees of the Authority may not
15 engage in employment, communications, or any activity that may
16 be deemed a conflict of interest. This prohibition shall extend
17 to any act identified by Board action or Gaming Board action
18 that, in the judgment of the either entity, could represent the
19 potential for or the appearance of a conflict of interest.

20 (f) Board members and employees of the Authority may not
21 have a financial interest, directly or indirectly, in his or
22 her own name or in the name of any other person, partnership,
23 association, trust, corporation, or other entity in any
24 contract or subcontract for the performance of any work for the
25 Authority. This prohibition shall extend to the holding or
26 acquisition of an interest in any entity identified by Board

1 action or Gaming Board action that, in the judgment of the
2 either entity, could represent the potential for or the
3 appearance of a financial interest. The holding or acquisition
4 of an interest in such entities through an indirect means, such
5 as through a mutual fund, shall not be prohibited, except that
6 the Gaming Board may identify specific investments or funds
7 that, in its judgment, are so influenced by gaming holdings as
8 to represent the potential for or the appearance of a conflict
9 of interest.

10 (g) Board members and employees of the Authority may not
11 accept any gift, gratuity, service, compensation, travel,
12 lodging, or thing of value, with the exception of unsolicited
13 items of an incidental nature, from any person, corporation, or
14 entity doing business with the Authority.

15 (h) No Board member or employee of the Authority may,
16 within a period of 2 years immediately after termination of
17 employment, knowingly accept employment or receive
18 compensation or fees for services from a person or entity, or
19 its parent or affiliate, that has engaged in business with the
20 Authority that resulted in contracts with an aggregate value of
21 at least \$25,000 or if that Board member or employee has made a
22 decision that directly applied to the person or entity, or its
23 parent or affiliate.

24 (i) A spouse, child, or parent of a Board member or
25 employee of the Authority may not have a financial interest,
26 directly or indirectly, in his or her own name or in the name

1 of any other person, partnership, association, trust,
2 corporation, or other entity in any contract or subcontract for
3 the performance of any work for the Authority. This prohibition
4 shall extend to the holding or acquisition of an interest in
5 any entity identified by Board action or Gaming Board action
6 that, in the judgment of the either entity, could represent the
7 potential for or the appearance of a conflict of interest. The
8 holding or acquisition of an interest in such entities through
9 an indirect means, such as through a mutual fund, shall not be
10 prohibited, except that the Gaming Board may identify specific
11 investments or funds that, in its judgment, are so influenced
12 by gaming holdings as to represent the potential for or the
13 appearance of a conflict of interest.

14 (j) A spouse, child, or parent of a Board member or
15 employee of the Authority may not accept any gift, gratuity,
16 service, compensation, travel, lodging, or thing of value, with
17 the exception of unsolicited items of an incidental nature,
18 from any person, corporation, or entity doing business with the
19 Authority.

20 (k) A spouse, child, or parent of a Board member or
21 employee of the Authority may not, within a period of 2 years
22 immediately after termination of employment, knowingly accept
23 employment or receive compensation or fees for services from a
24 person or entity, or its parent or affiliate, that has engaged
25 in business with the Authority that resulted in contracts with
26 an aggregate value of at least \$25,000 or if that Board member

1 or employee has made a decision that directly applied to the
2 person or entity, or its parent or affiliate.

3 (l) No Board member or employee of the Authority may
4 attempt, in any way, to influence any person or corporation
5 doing business with the Authority or any officer, agent, or
6 employee thereof to hire or contract with any person or
7 corporation for any compensated work.

8 (m) Any communication between an elected official of the
9 City and any applicant for or party to a casino management
10 contract with the Authority, or an officer, director, or
11 employee thereof, concerning any manner relating in any way to
12 gaming or the Authority shall be disclosed to the Board and the
13 Gaming Board. Such disclosure shall be in writing by the
14 official within 30 days of the communication and shall be filed
15 with the Board. Disclosure must consist of the date of the
16 communication, the identity and job title of the person with
17 whom the communication was made, a brief summary of the
18 communication, the action requested or recommended, all
19 responses made, the identity and job title of the person making
20 the response, and any other pertinent information.

21 (n) Any Board member or employee of the Authority who
22 violates any provision of this Section is guilty of a Class 4
23 felony.

24 Section 1-45. Casino management contracts.

25 (a) The Board shall develop and administer a competitive

1 sealed bidding process for the selection of a potential casino
2 operator licensee to develop or operate a casino within the
3 City. The Board shall issue one or more requests for proposals.
4 The Board may establish minimum financial and investment
5 requirements to determine the eligibility of persons to respond
6 to the Board's requests for proposal, and may establish and
7 consider such other criteria as it deems appropriate. The Board
8 may impose a fee upon persons who respond to requests for
9 proposal, in order to reimburse the Board for its costs in
10 preparing and issuing the requests and reviewing the proposals.

11 (b) Within 5 days after the time limit for submitting bids
12 and proposals has passed, the Board shall make all bids and
13 proposals public. Thereafter, the Board shall evaluate the
14 responses to its requests for proposal and the ability of all
15 persons or entities responding to its request for proposal to
16 meet the requirements of this Act and to undertake and perform
17 the obligations set forth in its requests for proposal.

18 (c) After reviewing proposals and subject to Gaming Board
19 approval, the Board shall enter into a casino management
20 contract authorizing the development, construction, or
21 operation of a casino. Validity of the casino management
22 contract is contingent upon the issuance of a casino operator
23 license to the successful bidder. If the Gaming Board approves
24 the contract and grants a casino operator license, the Board
25 shall transmit a copy of the executed casino management
26 contract to the Gaming Board.

1 (d) After the Authority has been issued a casino license,
2 the Gaming Board has issued a casino operator license, and the
3 Gaming Board has approved the location of a temporary facility,
4 the Authority may conduct gaming operations at a temporary
5 facility for no longer than 12 months after gaming operations
6 begin. The Gaming Board may, after holding a public hearing,
7 grant an extension so long as a permanent facility is not
8 operational and the Authority is working in good faith to
9 complete the permanent facility. The Gaming Board may grant
10 additional extensions following a public hearing. Each
11 extension may be for a period of no longer than 6 months.

12 (e) Fifty percent of the total amount received as an
13 upfront fee by the Authority pursuant to a bid for a casino
14 management contract or an executed casino management contract
15 or \$300,000,000, whichever is greater, must be transmitted to
16 the State and deposited into the Illinois Works Fund pursuant
17 to Section 7.11 of the Illinois Gambling Act.

18 Section 1-50. Transfer of funds. The revenues received by
19 the Authority (other than amounts required to be paid pursuant
20 to the Illinois Gambling Act and amounts required to pay the
21 operating expenses of the Authority, to pay amounts due the
22 casino operator licensee pursuant to a casino management
23 contract, to repay any borrowing of the Authority made pursuant
24 to Section 1-31, to pay debt service on any bonds issued under
25 Section 1-75, and to pay any expenses in connection with the

1 issuance of such bonds pursuant to Section 1-75 or derivative
2 products pursuant to Section 1-85) shall be transferred to the
3 City by the Authority.

4 Section 1-55. Municipal distributions of proceeds from a
5 casino; gaming endowment funds. At least 70% of the moneys that
6 a municipality in which a casino is located receives pursuant
7 to Section 1-50 of this Act shall be described as "gaming
8 endowment funds" and be expended or obligated by the
9 municipality for the following purposes and in the following
10 amounts:

11 (1) 40% of such gaming endowment funds shall be used
12 for or pledged for the construction and maintenance of
13 infrastructure within the municipality, including but not
14 limited to roads, bridges, transit infrastructure, and
15 municipal facilities.

16 (2) 60% of such gaming endowment funds shall be used
17 for or pledged for the construction and maintenance of
18 schools, parks and cultural institution facilities, and
19 museums within the municipality.

20 Section 1-60. Auditor General.

21 (a) Prior to the issuance of bonds under this Act, the
22 Authority shall submit to the Auditor General a certification
23 that:

24 (1) it is legally authorized to issue bonds;

1 (2) scheduled annual payments of principal and
2 interest on the bonds to be issued meet the requirements of
3 Section 1-75 of this Act;

4 (3) no bond shall mature later than 30 years; and

5 (4) after payment of costs of issuance and necessary
6 deposits to funds and accounts established with respect to
7 debt service on the bonds, the net bond proceeds (exclusive
8 of any proceeds to be used to refund outstanding bonds)
9 will be used only for the purposes set forth in this Act.

10 The Authority also shall submit to the Auditor General its
11 projections on revenues to be generated and pledged to
12 repayment of the bonds as scheduled and such other information
13 as the Auditor General may reasonably request.

14 The Auditor General shall examine the certifications and
15 information submitted and submit a report to the Authority and
16 the Gaming Board indicating whether the required
17 certifications, projections, and other information have been
18 submitted by the Authority and that the assumptions underlying
19 the projections are not unreasonable in the aggregate. The
20 Auditor General shall submit the report no later than 60 days
21 after receiving the information required to be submitted by the
22 Authority.

23 The Authority shall not issue bonds until it receives the
24 report from the Auditor General indicating the requirements of
25 this Section have been met. The Auditor General's report shall
26 not be in the nature of a post-audit or examination and shall

1 not lead to the issuance of an opinion, as that term is defined
2 in generally accepted government auditing standards. The
3 Auditor General shall submit a bill to the Authority for costs
4 associated with the examinations and report required under this
5 Section. The Authority shall reimburse in a timely manner.

6 (b) The Auditor General has the authority and is required
7 to conduct a financial and management audit of the Authority
8 every 2 years. The Auditor General shall also conduct one
9 post-construction and financing audit of the casino after it is
10 completed and in operation. The Auditor General's audits must
11 be posted on his or her Internet website. The Auditor General
12 shall submit a bill to the Authority for costs associated with
13 the audits required under this Section. The Authority shall
14 reimburse in a timely manner.

15 Section 1-62. Advisory committee. An Advisory Committee is
16 established to monitor, review, and report on (1) the City's
17 utilization of minority-owned business enterprises and
18 female-owned business enterprises, (2) employment of females,
19 and (3) employment of minorities with regard to the development
20 and construction of the casino as authorized under Section 7.11
21 of the Illinois Gambling Act. The City of Chicago shall work
22 with the Advisory Committee in accumulating necessary
23 information for the Committee to submit reports, as necessary,
24 to the General Assembly and to the City of Chicago.

25 The Committee shall consist of 15 members as provided in

1 this Section. Seven members shall be selected by the Mayor of
2 the City of Chicago; 2 members shall be selected by the
3 President of the Illinois Senate; 2 members shall be selected
4 by the Speaker of the House of Representatives; 2 members shall
5 be selected by the Minority Leader of the Senate; and 2 members
6 shall be selected by the Minority Leader of the House of
7 Representatives. The Advisory Committee shall meet
8 periodically and shall report the information to the Mayor of
9 the City and to the General Assembly by December 31st of every
10 year.

11 The Advisory Committee shall be dissolved on the date that
12 casino gambling operations are first conducted under the
13 license authorized under Section 7.11 of the Illinois Gambling
14 Act, other than at a temporary facility.

15 For the purposes of this Section, the terms "female" and
16 "minority person" have the meanings provided in Section 2 of
17 the Business Enterprise for Minorities, Females, and Persons
18 with Disabilities Act.

19 Section 1-65. Acquisition of property; eminent domain
20 proceedings. For the lawful purposes of this Act, the City may
21 acquire by eminent domain or by condemnation proceedings in the
22 manner provided by the Eminent Domain Act, real or personal
23 property or interests in real or personal property located in
24 the City, and the City may convey to the Authority property so
25 acquired. The acquisition of property under this Section is

1 declared to be for a public use.

2 Section 1-70. Local regulation. The casino facilities and
3 operations therein shall be subject to all ordinances and
4 regulations of the City. The construction, development, and
5 operation of the casino shall comply with all ordinances,
6 regulations, rules, and controls of the City, including but not
7 limited to those relating to zoning and planned development,
8 building, fire prevention, and land use. However, the
9 regulation of gaming operations is subject to the exclusive
10 jurisdiction of the Gaming Board.

11 Section 1-75. Borrowing.

12 (a) The Authority may borrow money and issue bonds as
13 provided in this Section. Bonds of the Authority may be issued
14 to provide funds for land acquisition, site assembly and
15 preparation, and the design and construction of the casino, as
16 defined in the Illinois Gambling Act, all ancillary and related
17 facilities comprising the casino complex, and all on-site and
18 off-site infrastructure improvements required in connection
19 with the development of the casino; to refund (at the time or
20 in advance of any maturity or redemption) or redeem any bonds
21 of the Authority; to provide or increase a debt service reserve
22 fund or other reserves with respect to any or all of its bonds;
23 or to pay the legal, financial, administrative, bond insurance,
24 credit enhancement, and other legal expenses of the

1 authorization, issuance, or delivery of bonds. In this Act, the
2 term "bonds" also includes notes of any kind, interim
3 certificates, refunding bonds, or any other evidence of
4 obligation for borrowed money issued under this Section. Bonds
5 may be issued in one or more series and may be payable and
6 secured either on a parity with or separately from other bonds.

7 (b) The bonds of the Authority shall be payable from one or
8 more of the following sources: (i) the property or revenues of
9 the Authority; (ii) revenues derived from the casino; (iii)
10 revenues derived from any casino operator licensee; (iv) fees,
11 bid proceeds, charges, lease payments, payments required
12 pursuant to any casino management contract or other revenues
13 payable to the Authority, or any receipts of the Authority; (v)
14 payments by financial institutions, insurance companies, or
15 others pursuant to letters or lines of credit, policies of
16 insurance, or purchase agreements; (vi) investment earnings
17 from funds or accounts maintained pursuant to a bond resolution
18 or trust indenture; (vii) proceeds of refunding bonds; (viii)
19 any other revenues derived from or payments by the City; and
20 (ix) any payments by any casino operator licensee or others
21 pursuant to any guaranty agreement.

22 (c) Bonds shall be authorized by a resolution of the
23 Authority and may be secured by a trust indenture by and
24 between the Authority and a corporate trustee or trustees,
25 which may be any trust company or bank having the powers of a
26 trust company within or without the State. Bonds shall meet the

1 following requirements:

2 (1) Bonds shall bear interest at a rate not to exceed
3 the maximum rate authorized by the Bond Authorization Act.

4 (2) Bonds issued pursuant to this Section must be
5 issued with principal or mandatory redemption amounts in
6 equal amounts, with the first maturity issued occurring
7 within the fiscal year in which the bonds are issued or
8 within the next succeeding fiscal year, and with bonds
9 maturing or subject to mandatory redemption each fiscal
10 year thereafter up to 30 years.

11 (3) At least 25%, based on total principal amount, of
12 all bonds issued pursuant to this Section shall be sold
13 pursuant to notice of sale and public bid. No more than
14 75%, based on total principal amount, of all bonds issued
15 pursuant to this Section shall be sold by negotiated sale.

16 (4) Bonds shall be payable at a time or times, in the
17 denominations and form, including book entry form, either
18 coupon, registered, or both, and carry the registration and
19 privileges as to exchange, transfer or conversion, and
20 replacement of mutilated, lost, or destroyed bonds as the
21 resolution or trust indenture may provide.

22 (5) Bonds shall be payable in lawful money of the
23 United States at a designated place.

24 (6) Bonds shall be subject to the terms of purchase,
25 payment, redemption, refunding, or refinancing that the
26 resolution or trust indenture provides.

1 (7) Bonds shall be executed by the manual or facsimile
2 signatures of the officers of the Authority designated by
3 the Board, which signatures shall be valid at delivery even
4 for one who has ceased to hold office.

5 (8) Bonds shall be sold at public or private sale in
6 the manner and upon the terms determined by the Authority.

7 (9) Bonds shall be issued in accordance with the
8 provisions of the Local Government Debt Reform Act.

9 (d) The Authority shall adopt a procurement program with
10 respect to contracts relating to underwriters, bond counsel,
11 financial advisors, and accountants. The program shall include
12 goals for the payment of not less than 30% of the total dollar
13 value of the fees from these contracts to minority owned
14 businesses and female owned businesses as defined in the
15 Business Enterprise for Minorities, Females, and Persons with
16 Disabilities Act. The Authority shall conduct outreach to
17 minority owned businesses and female owned businesses.
18 Outreach shall include, but is not limited to, advertisements
19 in periodicals and newspapers, mailings, and other appropriate
20 media. The Authority shall submit to the General Assembly a
21 comprehensive report that shall include, at a minimum, the
22 details of the procurement plan, outreach efforts, and the
23 results of the efforts to achieve goals for the payment of
24 fees.

25 (e) Subject to the Illinois Gambling Act and rules of the
26 Gaming Board regarding pledging of interests in holders of

1 owners licenses, any resolution or trust indenture may contain
2 provisions that may be a part of the contract with the holders
3 of the bonds as to the following:

4 (1) Pledging, assigning, or directing the use,
5 investment, or disposition of revenues of the Authority or
6 proceeds or benefits of any contract, including without
7 limitation, any rights in any casino management contract.

8 (2) The setting aside of loan funding deposits, debt
9 service reserves, replacement or operating reserves, cost
10 of issuance accounts and sinking funds, and the regulation,
11 investment, and disposition thereof.

12 (3) Limitations on the purposes to which or the
13 investments in which the proceeds of sale of any issue of
14 bonds or the Authority's revenues and receipts may be
15 applied or made.

16 (4) Limitations on the issue of additional bonds, the
17 terms upon which additional bonds may be issued and
18 secured, the terms upon which additional bonds may rank on
19 a parity with, or be subordinate or superior to, other
20 bonds.

21 (5) The refunding, advance refunding, or refinancing
22 of outstanding bonds.

23 (6) The procedure, if any, by which the terms of any
24 contract with bondholders may be altered or amended and the
25 amount of bonds and holders of which must consent thereto
26 and the manner in which consent shall be given.

1 (7) Defining the acts or omissions which shall
2 constitute a default in the duties of the Authority to
3 holders of bonds and providing the rights or remedies of
4 such holders in the event of a default, which may include
5 provisions restricting individual rights of action by
6 bondholders.

7 (8) Providing for guarantees, pledges of property,
8 letters of credit, or other security, or insurance for the
9 benefit of bondholders.

10 (f) No member of the Board, nor any person executing the
11 bonds, shall be liable personally on the bonds or subject to
12 any personal liability by reason of the issuance of the bonds.

13 (g) The Authority may issue and secure bonds in accordance
14 with the provisions of the Local Government Credit Enhancement
15 Act.

16 (h) A pledge by the Authority of revenues and receipts as
17 security for an issue of bonds or for the performance of its
18 obligations under any casino management contract shall be valid
19 and binding from the time when the pledge is made. The revenues
20 and receipts pledged shall immediately be subject to the lien
21 of the pledge without any physical delivery or further act, and
22 the lien of any pledge shall be valid and binding against any
23 person having any claim of any kind in tort, contract, or
24 otherwise against the Authority, irrespective of whether the
25 person has notice. No resolution, trust indenture, management
26 agreement or financing statement, continuation statement, or

1 other instrument adopted or entered into by the Authority need
2 be filed or recorded in any public record other than the
3 records of the Authority in order to perfect the lien against
4 third persons, regardless of any contrary provision of law.

5 (i) Bonds that are being paid or retired by issuance, sale,
6 or delivery of bonds, and bonds for which sufficient funds have
7 been deposited with the paying agent or trustee to provide for
8 payment of principal and interest thereon, and any redemption
9 premium, as provided in the authorizing resolution, shall not
10 be considered outstanding for the purposes of this subsection.

11 (j) The bonds of the Authority shall not be indebtedness of
12 the State. The bonds of the Authority are not general
13 obligations of the State and are not secured by a pledge of the
14 full faith and credit of the State and the holders of bonds of
15 the Authority may not require, except as provided in this Act,
16 the application of State revenues or funds to the payment of
17 bonds of the Authority.

18 (k) The State of Illinois pledges and agrees with the
19 owners of the bonds that it will not limit or alter the rights
20 and powers vested in the Authority by this Act so as to impair
21 the terms of any contract made by the Authority with the owners
22 or in any way impair the rights and remedies of the owners
23 until the bonds, together with interest on them, and all costs
24 and expenses in connection with any action or proceedings by or
25 on behalf of the owners, are fully met and discharged. The
26 Authority is authorized to include this pledge and agreement in

1 any contract with the owners of bonds issued under this
2 Section.

3 (1) No person holding an elective office in this State,
4 holding a seat in the General Assembly, or serving as a board
5 member, trustee, officer, or employee of the Authority,
6 including the spouse of that person, may receive a legal,
7 banking, consulting, or other fee related to the issuance of
8 bonds.

9 Section 1-85. Derivative products. With respect to all or
10 part of any issue of its bonds, the Authority may enter into
11 agreements or contracts with any necessary or appropriate
12 person, which will have the benefit of providing to the
13 Authority an interest rate basis, cash flow basis, or other
14 basis different from that provided in the bonds for the payment
15 of interest. Such agreements or contracts may include, without
16 limitation, agreements or contracts commonly known as
17 "interest rate swap agreements", "forward payment conversion
18 agreements", "futures", "options", "puts", or "calls" and
19 agreements or contracts providing for payments based on levels
20 of or changes in interest rates, agreements or contracts to
21 exchange cash flows or a series of payments, or to hedge
22 payment, rate spread, or similar exposure.

23 Section 1-90. Legality for investment. The State of
24 Illinois, all governmental entities, all public officers,

1 banks, bankers, trust companies, savings banks and
2 institutions, building and loan associations, savings and loan
3 associations, investment companies, and other persons carrying
4 on a banking business, insurance companies, insurance
5 associations, and other persons carrying on an insurance
6 business, and all executors, administrators, guardians,
7 trustees, and other fiduciaries may legally invest any sinking
8 funds, moneys, or other funds belonging to them or within their
9 control in any bonds issued under this Act. However, nothing in
10 this Section shall be construed as relieving any person, firm,
11 or corporation from any duty of exercising reasonable care in
12 selecting securities for purchase or investment.

13 Section 1-95. Tax exemption. The Authority and all of its
14 operations and property used for public purposes shall be
15 exempt from all taxation of any kind imposed by the State of
16 Illinois or any political subdivision, school district,
17 municipal corporation, or unit of local government of the State
18 of Illinois. However, nothing in this Act prohibits the
19 imposition of any other taxes where such imposition is not
20 prohibited by Section 21 of the Illinois Gambling Act.

21 Section 1-105. Budgets and reporting.

22 (a) The Board shall annually adopt a budget for each fiscal
23 year. The budget may be modified from time to time in the same
24 manner and upon the same vote as it may be adopted. The budget

1 shall include the Authority's available funds and estimated
2 revenues and shall provide for payment of its obligations and
3 estimated expenditures for the fiscal year, including, without
4 limitation, expenditures for administration, operation,
5 maintenance and repairs, debt service, and deposits into
6 reserve and other funds and capital projects.

7 (b) The Board shall annually cause the finances of the
8 Authority to be audited by a firm of certified public
9 accountants and post the firm's audits of the Authority on the
10 Authority's Internet website.

11 (c) The Board shall, for each fiscal year, prepare an
12 annual report setting forth information concerning its
13 activities in the fiscal year and the status of the development
14 of the casino. The annual report shall include the audited
15 financial statements of the Authority for the fiscal year, the
16 budget for the succeeding fiscal year, and the current capital
17 plan as of the date of the report. Copies of the annual report
18 shall be made available to persons who request them and shall
19 be submitted not later than 120 days after the end of the
20 Authority's fiscal year to the Governor, the Mayor, the General
21 Assembly, and the Commission on Government Forecasting and
22 Accountability.

23 Section 1-110. Deposit and withdrawal of funds.

24 (a) All funds deposited by the Authority in any bank or
25 savings and loan association shall be placed in the name of the

1 Authority and shall be withdrawn or paid out only by check or
2 draft upon the bank or savings and loan association, signed by
3 2 officers or employees designated by the Board.
4 Notwithstanding any other provision of this Section, the Board
5 may designate any of its members or any officer or employee of
6 the Authority to authorize the wire transfer of funds deposited
7 by the secretary-treasurer of funds in a bank or savings and
8 loan association for the payment of payroll and employee
9 benefits-related expenses.

10 No bank or savings and loan association shall receive
11 public funds as permitted by this Section unless it has
12 complied with the requirements established pursuant to Section
13 6 of the Public Funds Investment Act.

14 (b) If any officer or employee whose signature appears upon
15 any check or draft issued pursuant to this Act ceases (after
16 attaching his signature) to hold his or her office before the
17 delivery of such a check or draft to the payee, his or her
18 signature shall nevertheless be valid and sufficient for all
19 purposes with the same effect as if he or she had remained in
20 office until delivery thereof.

21 Section 1-112. Contracts with the Authority or casino
22 operator licensee; disclosure requirements.

23 (a) A bidder, respondent, offeror, or contractor must
24 disclose the names of all officers and directors. A bidder,
25 respondent, or offeror, or contractor for contracts with the

1 Authority or casino operator licensee shall disclose the
2 identity of every owner, beneficiary, or person with beneficial
3 interest of more than 1%, or shareholder entitled to receive
4 more than 1% of the total distributable income of any
5 corporation, having any interest in the contract in the bidder,
6 respondent, offeror, or contractor. The disclosure shall be in
7 writing and attested to by an owner, trustee, corporate
8 official, or agent. If stock in a corporation is publicly
9 traded and there is no readily known individual having greater
10 than a 1% interest, then a statement to that affect attested to
11 by an officer or agent of the corporation or shall fulfill the
12 disclosure statement requirement of this Section. A bidder,
13 respondent, offeror, or contractor shall notify the Authority
14 of any changes in officers, directors, ownership, or
15 individuals having a beneficial interest of more than 1%.

16 (b) A bidder, respondent, offeror, or contractor for
17 contracts with an annual value of \$10,000 or for a period to
18 exceed one year shall disclose all political contributions of
19 the bidder, respondent, offeror, or contractor and any
20 affiliated person or entity. Disclosure shall include at least
21 the names and addresses of the contributors and the dollar
22 amounts of any contributions to any political committee made
23 within the previous 2 years. The disclosure must be submitted
24 to the Gaming Board with a copy of the contract prior to Gaming
25 Board approval of the contract. The Gaming Board shall refuse
26 to approve any contract that does not include the required

1 disclosure.

2 (c) As used in this Section:

3 "Contribution" means contribution as defined in Section
4 9-1.4 of the Election Code.

5 "Affiliated person" means (i) any person with any ownership
6 interest or distributive share of the bidding, responding, or
7 contracting entity in excess of 1%, (ii) executive employees of
8 the bidding, responding, or contracting entity, and (iii) the
9 spouse and minor children of any such persons.

10 "Affiliated entity" means (i) any parent or subsidiary of
11 the bidding or contracting entity, (ii) any member of the same
12 unitary business group, or (iii) any political committee for
13 which the bidding, responding, or contracting entity is the
14 sponsoring entity.

15 (d) The Gaming Board may direct the Authority or a casino
16 operator licensee to void a contract if a violation of this
17 Section occurs. The Authority may direct a casino operator
18 licensee to void a contract if a violation of this Section
19 occurs.

20 Section 1-115. Purchasing.

21 (a) All construction contracts and contracts for supplies,
22 materials, equipment, and services, when the cost thereof to
23 the Authority exceeds \$25,000, shall be let by a competitive
24 selection process to the lowest responsible proposer, after
25 advertising for proposals, except for the following:

1 (1) When repair parts, accessories, equipment, or
2 services are required for equipment or services previously
3 furnished or contracted for;

4 (2) Professional services;

5 (3) When services such as water, light, heat, power,
6 telephone (other than long-distance service), or telegraph
7 are required;

8 (4) When contracts for the use, purchase, delivery,
9 movement, or installation of data processing equipment,
10 software, or services and telecommunications equipment,
11 software, and services are required;

12 (5) Casino management contracts, which shall be
13 awarded as set forth in Section 1-45 of this Act.

14 (b) All contracts involving less than \$25,000 shall be let
15 by competitive selection process whenever possible, and in any
16 event in a manner calculated to ensure the best interests of
17 the public.

18 (c) In determining the responsibility of any proposer, the
19 Authority may take into account the proposer's (or an
20 individual having a beneficial interest, directly or
21 indirectly, of more than 1% in such proposing entity) past
22 record of dealings with the Authority, the proposer's
23 experience, adequacy of equipment, and ability to complete
24 performance within the time set, and other factors besides
25 financial responsibility. No such contract shall be awarded to
26 any proposer other than the lowest proposer (in case of

1 purchase or expenditure) unless authorized or approved by a
2 vote of at least 2 members of the Board and such action is
3 accompanied by a written statement setting forth the reasons
4 for not awarding the contract to the highest or lowest
5 proposer, as the case may be. The statement shall be kept on
6 file in the principal office of the Authority and open to
7 public inspection.

8 (d) The Authority shall have the right to reject all
9 proposals and to re-advertise for proposals. If after any such
10 re-advertisement, no responsible and satisfactory proposals,
11 within the terms of the re-advertisement, is received, the
12 Authority may award such contract without competitive
13 selection, provided that the Gaming Board must approve the
14 contract prior to its execution. The contract must not be less
15 advantageous to the Authority than any valid proposal received
16 pursuant to advertisement.

17 (e) Advertisements for proposals and re-proposals shall be
18 published at least once in a daily newspaper of general
19 circulation published in the City at least 10 calendar days
20 before the time for receiving proposals, and such
21 advertisements shall also be posted on readily accessible
22 bulletin boards in the principal office of the Authority. Such
23 advertisements shall state the time and place for receiving and
24 opening of proposals and, by reference to plans and
25 specifications on file at the time of the first publication or
26 in the advertisement itself, shall describe the character of

1 the proposed contract in sufficient detail to fully advise
2 prospective proposers of their obligations and to ensure free
3 and open competitive selection.

4 (f) All proposals in response to advertisements shall be
5 sealed and shall be publicly opened by the Authority. All
6 proposers shall be entitled to be present in person or by
7 representatives. Cash or a certified or satisfactory cashier's
8 check, as a deposit of good faith, in a reasonable amount to be
9 fixed by the Authority before advertising for proposals, shall
10 be required with the proposal. A bond for faithful performance
11 of the contract with surety or sureties satisfactory to the
12 Authority and adequate insurance may be required in reasonable
13 amounts to be fixed by the Authority before advertising for
14 proposals.

15 (g) The contract shall be awarded as promptly as possible
16 after the opening of proposals. The proposal of the successful
17 proposer, as well as the bids of the unsuccessful proposers,
18 shall be placed on file and be open to public inspection. All
19 proposals shall be void if any disclosure of the terms of any
20 proposals in response to an advertisement is made or permitted
21 to be made by the Authority before the time fixed for opening
22 proposals.

23 (h) Notice of each and every contract that is offered,
24 including renegotiated contracts and change orders, shall be
25 published in an online bulletin. The online bulletin must
26 include at least the date first offered, the date submission of

1 offers is due, the location that offers are to be submitted to,
2 a brief purchase description, the method of source selection,
3 information of how to obtain a comprehensive purchase
4 description and any disclosure and contract forms, and
5 encouragement to prospective vendors to hire qualified
6 veterans, as defined by Section 45-67 of the Illinois
7 Procurement Code, and Illinois residents discharged from any
8 Illinois adult correctional center. Notice of each and every
9 contract that is let or awarded, including renegotiated
10 contracts and change orders, shall be published in the online
11 bulletin and must include at least all of the information
12 specified in this item (h), as well as the name of the
13 successful responsible proposer or offeror, the contract
14 price, and the number of unsuccessful responsive proposers and
15 any other disclosure specified in this Section. This notice
16 must be posted in the online electronic bulletin prior to
17 execution of the contract.

18 Section 1-130. Affirmative action and equal opportunity
19 obligations of Authority.

20 (a) The Authority is subject to the requirements of Article
21 V of Chapter 2-92 (Sections 2-92-650 through 2-92-720
22 inclusive) of the Chicago Municipal Code, as now or hereafter
23 amended, renumbered, or succeeded, concerning a Minority-Owned
24 and Women-Owned Business Enterprise Procurement Program for
25 construction contracts, and Chapter 2-92-420 et. seq. of the

1 Chicago Municipal Code, as now or hereafter amended,
2 renumbered, or succeeded, concerning a Minority-Owned and
3 Women-Owned Business Enterprise Procurement Program to
4 determine the status of a firm as a Minority Business
5 Enterprise for city procurement purposes.

6 (b) The Authority is authorized to enter into agreements
7 with contractors' associations, labor unions, and the
8 contractors working on the development of the casino to
9 establish an apprenticeship preparedness training program to
10 provide for an increase in the number of minority and female
11 journeymen and apprentices in the building trades and to enter
12 into agreements with community college districts or other
13 public or private institutions to provide readiness training.
14 The Authority is further authorized to enter into contracts
15 with public and private educational institutions and persons in
16 the gaming, entertainment, hospitality, and tourism industries
17 to provide training for employment in those industries.

18 ARTICLE 5.

19 Section 5-1. Short title. This Article may be cited as the
20 Illinois Casino Development Authority Act.

21 Section 5-5. Definitions. As used in this Act:

22 "Casino" means one temporary land-based facility and a
23 permanent land-based facility.

1 "Casino management contract" means a legally binding
2 agreement between the State Authority and a State casino
3 operator licensee to operate or manage a casino.

4 "Executive director" means the person appointed by the
5 State Board to oversee the daily operations of the State
6 Authority.

7 "Gaming Board" means the Illinois Gaming Board created by
8 the Illinois Gambling Act.

9 "State" means the State of Illinois.

10 "State Authority" means the Illinois Casino Development
11 Authority created by this Act.

12 "State Board" means the board appointed pursuant to this
13 Act to govern and control the State Authority.

14 "State casino operator licensee" means any person or entity
15 selected by the State Authority and approved and licensed by
16 the Gaming Board to manage and operate a casino within the
17 State of Illinois pursuant to a casino management contract.

18 Section 5-12. Creation of the State Authority. After the 5
19 members of the Illinois Gaming Board are appointed and
20 qualified pursuant to this amendatory Act of the 95th General
21 Assembly, if the Gaming Board determines pursuant to subsection
22 (h) of Section 5 of the Illinois Gambling Act that public
23 ownership of the casino license issued pursuant to Section
24 7.11a of the Illinois Gambling Act is in the best interest of
25 the State, there is hereby created a political subdivision,

1 unit of State government with only the powers authorized by
2 law, and body politic, by the name and style of the Illinois
3 Casino Development Authority.

4 Section 5-13. Duties of the State Authority. It shall be
5 the duty of the State Authority, as a casino licensee under the
6 Illinois Gambling Act, to promote, operate, and maintain a
7 casino in the State. The State Authority shall construct,
8 equip, and maintain grounds, buildings, and facilities for that
9 purpose. The State Authority has the right to contract with a
10 casino operator licensee and other third parties in order to
11 fulfill its purpose. The State Authority is granted all rights
12 and powers necessary to perform such duties.

13 Section 5-15. State Board.

14 (a) The governing and administrative powers of the State
15 Authority shall be vested in a body known as the State Casino
16 Development Board. The State Board shall consist of 3 members
17 nominated by the Governor pursuant to nominations provided by
18 the Nomination Panel created under the Illinois Gambling Act in
19 the manner set forth in Section 5.3 of that Act with the advice
20 and consent of the Senate. All appointees shall be subject to a
21 background investigation and approval by the Gaming Board. One
22 of these members shall be designated by the Governor to serve
23 as chairperson. All of the members appointed by the Governor
24 shall be residents of Illinois.

1 (b) State Board members shall be entitled to reimbursement
2 of reasonable expenses incurred in the performance of their
3 official duties.

4 Section 5-20. Terms of appointments; resignation and
5 removal.

6 (a) The Governor shall appoint one member of the State
7 Board for an initial term expiring July 1 of the year following
8 approval by the Gaming Board, one member for an initial term
9 expiring July 1 three years following approval by the Gaming
10 Board, and one member for an initial term expiring July 1 five
11 years following approval by the Gaming Board.

12 (b) All successors shall hold office for a term of 5 years
13 from the first day of July of the year in which they are
14 appointed, except in the case of an appointment to fill a
15 vacancy. Each member, including the chairperson, shall hold
16 office until the expiration of his or her term and until his or
17 her successor is appointed and qualified. Nothing shall
18 preclude a member from serving consecutive terms. Any member
19 may resign from office, to take effect when a successor has
20 been appointed and qualified. A vacancy in office shall occur
21 in the case of a member's death or indictment, conviction, or
22 plea of guilty to a felony. A vacancy shall be filled for the
23 unexpired term by the Governor with the approval of the Gaming
24 Board.

25 (c) The Governor or the Gaming Board may remove any member

1 of the State Board upon a finding of incompetence, neglect of
2 duty, or misfeasance or malfeasance in office or for a
3 violation of this Act. The Gaming Board may remove any member
4 of the State Board for any violation of the Illinois Gambling
5 Act or the rules and regulations of the Gaming Board.

6 Section 5-25. Organization of State Board; meetings. After
7 appointment by the Governor and approval of the Gaming Board,
8 the State Board shall organize for the transaction of business.
9 The State Board shall prescribe the time and place for
10 meetings, the manner in which special meetings may be called,
11 and the notice that must be given to members. All actions and
12 meetings of the State Board shall be subject to the provisions
13 of the Open Meetings Act. Two members of the State Board shall
14 constitute a quorum. All substantive action of the State Board
15 shall be by resolution with an affirmative vote of a majority
16 of the members.

17 Section 5-30. Executive director; officers.

18 (a) The State Board shall appoint an executive director,
19 subject to completion of a background investigation and
20 approval by the Gaming Board, who shall be the chief executive
21 officer of the State Authority. The State Board shall fix the
22 compensation of the executive director. Subject to the general
23 control of the State Board, the executive director shall be
24 responsible for the management of the business, properties, and

1 employees of the State Authority. The executive director shall
2 direct the enforcement of all resolutions, rules, and
3 regulations of the State Board, and shall perform such other
4 duties as may be prescribed from time to time by the State
5 Board. All employees and independent contractors, consultants,
6 engineers, architects, accountants, attorneys, financial
7 experts, construction experts and personnel, superintendents,
8 managers, and other personnel appointed or employed pursuant to
9 this Act shall report to the executive director. In addition to
10 any other duties set forth in this Act, the executive director
11 shall do all of the following:

12 (1) Direct and supervise the administrative affairs
13 and activities of the State Authority in accordance with
14 its rules, regulations, and policies.

15 (2) Attend meetings of the State Board.

16 (3) Keep minutes of all proceedings of the State Board.

17 (4) Approve all accounts for salaries, per diem
18 payments, and allowable expenses of the State Board and its
19 employees and consultants.

20 (5) Report and make recommendations to the State Board
21 concerning the terms and conditions of any casino
22 management contract.

23 (6) Perform any other duty that the State Board
24 requires for carrying out the provisions of this Act.

25 (7) Devote his or her full time to the duties of the
26 office and not hold any other office or employment.

1 (b) The State Board may select a secretary-treasurer to
2 hold office at the pleasure of the State Board. The State Board
3 shall fix the duties of such officer.

4 Section 5-31. General rights and powers of the State
5 Authority. In addition to the duties and powers set forth in
6 this Act, the State Authority shall have the following rights
7 and powers:

8 (1) Adopt and alter an official seal.

9 (2) Establish and change its fiscal year.

10 (3) Sue and be sued, plead and be impleaded, all in its
11 own name, and agree to binding arbitration of any dispute
12 to which it is a party.

13 (4) Adopt, amend, and repeal by-laws, rules, and
14 regulations consistent with the furtherance of the powers
15 and duties provided for.

16 (5) Maintain its principal office within the State and
17 such other offices as the State Board may designate.

18 (6) Select locations for a temporary and a permanent
19 casino, subject to final approval by the Gaming Board.

20 (7) Conduct background investigations of potential
21 State casino operator licenses, including its principals
22 or shareholders, and State Authority staff. The State
23 Authority may request the assistance of the Office of
24 Gaming Enforcement.

25 (8) Employ, either as regular employees or independent

1 contractors, consultants, engineers, architects,
2 accountants, attorneys, financial experts, construction
3 experts and personnel, superintendents, managers and other
4 professional personnel, and such other personnel as may be
5 necessary in the judgment of the State Board, and fix their
6 compensation.

7 (9) Own, acquire, construct, equip, lease, operate,
8 and maintain grounds, buildings, and facilities to carry
9 out its corporate purposes and duties.

10 (10) Enter into, revoke, and modify contracts, subject
11 to final approval of the Gaming Board.

12 (11) Enter into a casino management contract subject to
13 the final approval of the Gaming Board.

14 (12) Develop, or cause to be developed by a third
15 party, a master plan for the design, planning, and
16 development of a casino.

17 (13) Negotiate and enter into intergovernmental
18 agreements with the State and its agencies and units of
19 local government, in furtherance of the powers and duties
20 of the State Board. However, the State Authority may not
21 enter into an agreement with the State Police.

22 (14) Receive and disburse funds for its own corporate
23 purposes or as otherwise specified in this Act.

24 (15) Borrow money from any source, public or private,
25 for any corporate purpose, including, without limitation,
26 working capital for its operations, reserve funds, or

1 payment of interest, and to mortgage, pledge, or otherwise
2 encumber the property or funds of the State Authority and
3 to contract with or engage the services of any person in
4 connection with any financing, including financial
5 institutions, issuers of letters of credit, or insurers and
6 enter into reimbursement agreements with this person or
7 entity which may be secured as if money were borrowed from
8 the person or entity.

9 (16) Issue bonds as provided for under this Act.

10 (17) Receive and accept from any source, private or
11 public, contributions, gifts, or grants of money or
12 property to the State Authority.

13 (18) Provide for the insurance of any property,
14 operations, officers, members, agents, or employees of the
15 State Authority against any risk or hazard, to self-insure
16 or participate in joint self-insurance pools or entities to
17 insure against such risk or hazard, and to provide for the
18 indemnification of its officers, members, employees,
19 contractors, or agents against any and all risks.

20 (19) Exercise all the corporate powers granted
21 Illinois corporations under the Business Corporation Act
22 of 1983, except to the extent that powers are inconsistent
23 with those of a body politic and corporate of the State.

24 (20) Do all things necessary or convenient to carry out
25 the powers granted by this Act.

1 Section 5-32. Ethical conduct.

2 (a) State Board members and employees of the State
3 Authority must carry out their duties and responsibilities in
4 such a manner as to promote and preserve public trust and
5 confidence in the integrity and conduct of gaming.

6 (b) Except as may be required in the conduct of official
7 duties, State Board members and employees of the State
8 Authority shall not engage in gambling on any riverboat, in any
9 casino, or in an electronic gaming facility licensed by the
10 Illinois Gaming Board or engage in legalized gambling in any
11 establishment identified by State Board action that, in the
12 judgment of the State Board, could represent a potential for a
13 conflict of interest.

14 (c) A State Board member or employee of the State Authority
15 shall not use or attempt to use his or her official position to
16 secure or attempt to secure any privilege, advantage, favor, or
17 influence for himself or herself or others.

18 (d) State Board members and employees of the State
19 Authority shall not hold or pursue employment, office,
20 position, business, or occupation that may conflict with his or
21 her official duties. Employees may engage in other gainful
22 employment so long as that employment does not interfere or
23 conflict with their duties. Such employment must be disclosed
24 to the Executive Director and approved by the State Board.

25 (e) State Board members and employees of the State
26 Authority may not engage in employment, communications, or any

1 activity that may be deemed a conflict of interest. This
2 prohibition shall extend to any act identified by State Board
3 action or Gaming Board action that, in the judgment of the
4 either entity, could represent the potential for or the
5 appearance of a conflict of interest.

6 (f) State Board members and employees of the State
7 Authority may not have a financial interest, directly or
8 indirectly, in his or her own name or in the name of any other
9 person, partnership, association, trust, corporation, or other
10 entity in any contract or subcontract for the performance of
11 any work for the State Authority. This prohibition shall extend
12 to the holding or acquisition of an interest in any entity
13 identified by State Board action or Gaming Board action that,
14 in the judgment of the either entity, could represent the
15 potential for or the appearance of a financial interest. The
16 holding or acquisition of an interest in such entities through
17 an indirect means, such as through a mutual fund, shall not be
18 prohibited, except that the Gaming Board may identify specific
19 investments or funds that, in its judgment, are so influenced
20 by gaming holdings as to represent the potential for or the
21 appearance of a conflict of interest.

22 (g) State Board members and employees of the State
23 Authority may not accept any gift, gratuity, service,
24 compensation, travel, lodging, or thing of value, with the
25 exception of unsolicited items of an incidental nature, from
26 any person, corporation, or entity doing business with the

1 State Authority.

2 (h) No State Board member or employee of the State
3 Authority may, within a period of 2 years immediately after
4 termination of employment, knowingly accept employment or
5 receive compensation or fees for services from a person or
6 entity, or its parent or affiliate, that has engaged in
7 business with the State Authority that resulted in contracts
8 with an aggregate value of at least \$25,000 or if that State
9 Board member or employee has made a decision that directly
10 applied to the person or entity, or its parent or affiliate.

11 (i) A spouse, child, or parent of a State Board member or
12 employee of the State Authority may not have a financial
13 interest, directly or indirectly, in his or her own name or in
14 the name of any other person, partnership, association, trust,
15 corporation, or other entity in any contract or subcontract for
16 the performance of any work for the State Authority. This
17 prohibition shall extend to the holding or acquisition of an
18 interest in any entity identified by State Board action or
19 Gaming Board action that, in the judgment of the either entity,
20 could represent the potential for or the appearance of a
21 conflict of interest. The holding or acquisition of an interest
22 in such entities through an indirect means, such as through a
23 mutual fund, shall not be prohibited, except that the Gaming
24 Board may identify specific investments or funds that, in its
25 judgment, are so influenced by gaming holdings as to represent
26 the potential for or the appearance of a conflict of interest.

1 (j) A spouse, child, or parent of a State Board member or
2 employee of the State Authority may not accept any gift,
3 gratuity, service, compensation, travel, lodging, or thing of
4 value, with the exception of unsolicited items of an incidental
5 nature, from any person, corporation, or entity doing business
6 with the State Authority.

7 (k) A spouse, child, or parent of a State Board member or
8 employee of the State Authority may not, within a period of 2
9 years immediately after termination of employment, knowingly
10 accept employment or receive compensation or fees for services
11 from a person or entity, or its parent or affiliate, that has
12 engaged in business with the State Authority that resulted in
13 contracts with an aggregate value of at least \$25,000 or if
14 that State Board member or employee has made a decision that
15 directly applied to the person or entity, or its parent or
16 affiliate.

17 (l) No State Board member or employee of the State
18 Authority may attempt, in any way, to influence any person or
19 corporation doing business with the State Authority or any
20 officer, agent, or employee thereof to hire or contract with
21 any person or corporation for any compensated work.

22 (m) Any communication between a State, county, or municipal
23 elected official and any applicant for or party to a State
24 casino management contract with the State Authority, or an
25 officer, director, or employee thereof, concerning any manner
26 relating in any way to gaming or the State Authority shall be

1 disclosed to the State Board and the Gaming Board. Such
2 disclosure shall be in writing by the official within 30 days
3 of the communication and shall be filed with the State Board.
4 Disclosure must consist of the date of the communication, the
5 identity and job title of the person with whom the
6 communication was made, a brief summary of the communication,
7 the action requested or recommended, all responses made, the
8 identity and job title of the person making the response, and
9 any other pertinent information.

10 (n) Any State Board member or employee of the State
11 Authority who violates any provision of this Section is guilty
12 of a Class 4 felony.

13 Section 5-45. Casino management contracts.

14 (a) The State Board shall develop and administer a
15 competitive sealed bidding process for the selection of a
16 potential State casino operator licensee to develop or operate
17 a casino within the State. The State Board shall issue one or
18 more requests for proposals. The State Board may establish
19 minimum financial and investment requirements to determine the
20 eligibility of persons to respond to the State Board's requests
21 for proposal, and may establish and consider such other
22 criteria as it deems appropriate. The State Board may impose a
23 fee upon persons who respond to requests for proposal, in order
24 to reimburse the State Board for its costs in preparing and
25 issuing the requests and reviewing the proposals.

1 (b) Within 5 days after the time limit for submitting bids
2 and proposals has passed, the State Board shall make all bids
3 and proposals public. Thereafter, the State Board shall
4 evaluate the responses to its requests for proposal and the
5 ability of all persons or entities responding to its request
6 for proposal to meet the requirements of this Act and to
7 undertake and perform the obligations set forth in its requests
8 for proposal.

9 (c) After reviewing proposals and subject to Gaming Board
10 approval, the State Board shall enter into a casino management
11 contract authorizing the development, construction, or
12 operation of a casino. Validity of the casino management
13 contract is contingent upon the issuance of a State casino
14 operator license to the successful bidder. If the Gaming Board
15 approves the contract and grants a State casino operator
16 license, the State Board shall transmit a copy of the executed
17 casino management contract to the Gaming Board.

18 (d) After the State Authority has been issued a casino
19 license, the Gaming Board has issued a State casino operator
20 license, and the Gaming Board has approved the location of a
21 temporary facility, the State Authority may conduct gaming
22 operations at a temporary facility for no longer than 12 months
23 after gaming operations begin. The Gaming Board may, after
24 holding a public hearing, grant an extension so long as a
25 permanent facility is not operational and the State Authority
26 is working in good faith to complete the permanent facility.

1 The Gaming Board may grant additional extensions following a
2 public hearing. Each extension may be for a period of no longer
3 than 6 months.

4 (e) All amounts received as an upfront fee by the State
5 Authority pursuant to a bid for a casino management contract or
6 an executed State casino management contract must be deposited
7 into the Illinois Works Fund pursuant to Section 7.11a of the
8 Illinois Gambling Act.

9 Section 5-50. Transfer of funds. All revenues received by
10 the State Authority shall be deposited into the Illinois Casino
11 Development Authority Fund. Other than amounts required to be
12 paid pursuant to the Illinois Gambling Act and amounts required
13 to pay the operating expenses of the State Authority, to pay
14 amounts due the State casino operator licensee pursuant to a
15 casino management contract, to repay any borrowing of the State
16 Authority, to pay debt service on any bonds issued, and to pay
17 any expenses in connection with the issuance of such bonds or
18 derivative products, all remaining moneys in the Illinois
19 Casino Development Fund shall be transferred from time to time
20 into the Illinois Works Debt Service Fund.

21 Section 5-60. Auditor General.

22 (a) Prior to the issuance of bonds under this Act, the
23 State Authority shall submit to the Auditor General a
24 certification that:

1 (1) it is legally authorized to issue bonds;

2 (2) scheduled annual payments of principal and
3 interest on the bonds to be issued meet the requirements of
4 Section 1-75 of this Act;

5 (3) no bond shall mature later than 30 years; and

6 (4) after payment of costs of issuance and necessary
7 deposits to funds and accounts established with respect to
8 debt service on the bonds, the net bond proceeds (exclusive
9 of any proceeds to be used to refund outstanding bonds)
10 will be used only for the purposes set forth in this Act.

11 The State Authority also shall submit to the Auditor
12 General its projections on revenues to be generated and pledged
13 to repayment of the bonds as scheduled and such other
14 information as the Auditor General may reasonably request.

15 The Auditor General shall examine the certifications and
16 information submitted and submit a report to the State
17 Authority and the Gaming Board indicating whether the required
18 certifications, projections, and other information have been
19 submitted by the State Authority and that the assumptions
20 underlying the projections are not unreasonable in the
21 aggregate. The Auditor General shall submit the report no later
22 than 60 days after receiving the information required to be
23 submitted by the State Authority.

24 The State Authority shall not issue bonds until it receives
25 the report from the Auditor General indicating the requirements
26 of this Section have been met. The Auditor General's report

1 shall not be in the nature of a post-audit or examination and
2 shall not lead to the issuance of an opinion, as that term is
3 defined in generally accepted government auditing standards.
4 The Auditor General shall submit a bill to the State Authority
5 for costs associated with the examinations and report required
6 under this Section. The State Authority shall reimburse in a
7 timely manner.

8 (b) The Auditor General has the authority and is required
9 to conduct a financial and management audit of the State
10 Authority every 2 years. The Auditor General shall also conduct
11 one post-construction and financing audit of the casino after
12 it is completed and in operation. The Auditor General's audits
13 must be posted on his or her Internet website. The Auditor
14 General shall submit a bill to the State Authority for costs
15 associated with the audits required under this Section. The
16 State Authority shall reimburse in a timely manner.

17 Section 5-62. Advisory committee. An Advisory Committee is
18 established to monitor, review, and report on (1) the State
19 Authority's utilization of minority-owned business enterprises
20 and female-owned business enterprises, (2) employment of
21 females, and (3) employment of minority persons with regard to
22 the development and construction of the casino as authorized
23 under Section 7.11a of the Illinois Gambling Act. The State
24 Authority shall work with the Advisory Committee in
25 accumulating necessary information for the Committee to submit

1 reports, as necessary, to the General Assembly and to the
2 Governor.

3 The Committee shall consist of 15 members as provided in
4 this Section. Seven members shall be selected by the Governor;
5 2 members shall be selected by the President of the Illinois
6 Senate; 2 members shall be selected by the Speaker of the House
7 of Representatives; 2 members shall be selected by the Minority
8 Leader of the Senate; and 2 members shall be selected by the
9 Minority Leader of the House of Representatives. The Advisory
10 Committee shall meet periodically and shall report the
11 information to the Governor and to the General Assembly by
12 December 31st of every year.

13 The Advisory Committee shall be dissolved on the date that
14 casino gambling operations are first conducted under the
15 license authorized under Section 7.11a of the Illinois Gambling
16 Act, other than at a temporary facility.

17 For the purposes of this Section, the terms "female" and
18 "minority person" have the meanings provided in Section 2 of
19 the Business Enterprise for Minorities, Females, and Persons
20 with Disabilities Act.

21 Section 5-65. Acquisition of property; eminent domain
22 proceedings. For the lawful purposes of this Act, the State
23 Authority may acquire by eminent domain or by condemnation
24 proceedings in the manner provided by the Eminent Domain Act,
25 real or personal property or interests in real or personal

1 property located in the State. The acquisition of property
2 under this Section is declared to be for a public use.

3 Section 5-70. Local regulation. The casino facilities and
4 operations therein shall be subject to all ordinances and
5 regulations of the municipality in which the casino is located.
6 The construction, development, and operation of the casino
7 shall comply with all ordinances, regulations, rules, and
8 controls of the city in which the casino is located, including
9 but not limited to those relating to zoning and planned
10 development, building, fire prevention, and land use. However,
11 the regulation of gaming operations is subject to the exclusive
12 jurisdiction of the Gaming Board.

13 Section 5-75. Borrowing.

14 (a) The State Authority may borrow money and issue bonds as
15 provided in this Section. Bonds of the State Authority may be
16 issued to provide funds for land acquisition, site assembly and
17 preparation, and the design and construction of the casino, as
18 defined in the Illinois Gambling Act, all ancillary and related
19 facilities comprising the casino complex, and all on-site and
20 off-site infrastructure improvements required in connection
21 with the development of the casino; to refund (at the time or
22 in advance of any maturity or redemption) or redeem any bonds
23 of the State Authority; to provide or increase a debt service
24 reserve fund or other reserves with respect to any or all of

1 its bonds; or to pay the legal, financial, administrative, bond
2 insurance, credit enhancement, and other legal expenses of the
3 authorization, issuance, or delivery of bonds. In this Act, the
4 term "bonds" also includes notes of any kind, interim
5 certificates, refunding bonds, or any other evidence of
6 obligation for borrowed money issued under this Section. Bonds
7 may be issued in one or more series and may be payable and
8 secured either on a parity with or separately from other bonds.

9 (b) The bonds of the State Authority shall be payable from
10 one or more of the following sources: (i) the property or
11 revenues of the State Authority; (ii) revenues derived from the
12 casino; (iii) revenues derived from any State casino operator
13 licensee; (iv) fees, bid proceeds, charges, lease payments,
14 payments required pursuant to any casino management contract or
15 other revenues payable to the State Authority, or any receipts
16 of the State Authority; (v) payments by financial institutions,
17 insurance companies, or others pursuant to letters or lines of
18 credit, policies of insurance, or purchase agreements; (vi)
19 investment earnings from funds or accounts maintained pursuant
20 to a bond resolution or trust indenture; (vii) proceeds of
21 refunding bonds; and (viii) any payments by any State casino
22 operator licensee or others pursuant to any guaranty agreement.

23 (c) Bonds shall be authorized by a resolution of the State
24 Board and may be secured by a trust indenture by and between
25 the State Board and a corporate trustee or trustees, which may
26 be any trust company or bank having the powers of a trust

1 company within or without the State. Bonds shall meet the
2 following requirements:

3 (1) Bonds shall bear interest at a rate not to exceed
4 the maximum rate authorized by the Bond Authorization Act.

5 (2) Bonds issued pursuant to this Section must be
6 issued with principal or mandatory redemption amounts in
7 equal amounts, with the first maturity issued occurring
8 within the fiscal year in which the bonds are issued or
9 within the next succeeding fiscal year, and with bonds
10 maturing or subject to mandatory redemption each fiscal
11 year thereafter up to 30 years.

12 (3) At least 25%, based on total principal amount, of
13 all bonds issued pursuant to this Section shall be sold
14 pursuant to notice of sale and public bid. No more than
15 75%, based on total principal amount, of all bonds issued
16 pursuant to this Section shall be sold by negotiated sale.

17 (4) Bonds shall be payable at a time or times, in the
18 denominations and form, including book entry form, either
19 coupon, registered, or both, and carry the registration and
20 privileges as to exchange, transfer or conversion, and
21 replacement of mutilated, lost, or destroyed bonds as the
22 resolution or trust indenture may provide.

23 (5) Bonds shall be payable in lawful money of the
24 United States at a designated place.

25 (6) Bonds shall be subject to the terms of purchase,
26 payment, redemption, refunding, or refinancing that the

1 resolution or trust indenture provides.

2 (7) Bonds shall be executed by the manual or facsimile
3 signatures of the officers of the State Authority
4 designated by the State Board, which signatures shall be
5 valid at delivery even for one who has ceased to hold
6 office.

7 (8) Bonds shall be sold at public or private sale in
8 the manner and upon the terms determined by the State
9 Authority.

10 (d) The State Authority shall adopt a procurement program
11 with respect to contracts relating to underwriters, bond
12 counsel, financial advisors, and accountants. The program
13 shall include goals for the payment of not less than 30% of the
14 total dollar value of the fees from these contracts to minority
15 owned businesses and female owned businesses as defined in the
16 Business Enterprise for Minorities, Females, and Persons with
17 Disabilities Act. The State Authority shall conduct outreach to
18 minority owned businesses and female owned businesses.
19 Outreach shall include, but is not limited to, advertisements
20 in periodicals and newspapers, mailings, and other appropriate
21 media. The State Authority shall submit to the General Assembly
22 a comprehensive report that shall include, at a minimum, the
23 details of the procurement plan, outreach efforts, and the
24 results of the efforts to achieve goals for the payment of
25 fees.

26 (e) Subject to the Illinois Gambling Act and rules of the

1 Gaming Board regarding pledging of interests in holders of
2 owners licenses, any resolution or trust indenture may contain
3 provisions that may be a part of the contract with the holders
4 of the bonds as to the following:

5 (1) Pledging, assigning, or directing the use,
6 investment, or disposition of revenues of the State
7 Authority or proceeds or benefits of any contract,
8 including without limitation, any rights in any casino
9 management contract.

10 (2) The setting aside of loan funding deposits, debt
11 service reserves, replacement or operating reserves, cost
12 of issuance accounts and sinking funds, and the regulation,
13 investment, and disposition thereof.

14 (3) Limitations on the purposes to which or the
15 investments in which the proceeds of sale of any issue of
16 bonds or the State Authority's revenues and receipts may be
17 applied or made.

18 (4) Limitations on the issue of additional bonds, the
19 terms upon which additional bonds may be issued and
20 secured, the terms upon which additional bonds may rank on
21 a parity with, or be subordinate or superior to, other
22 bonds.

23 (5) The refunding, advance refunding, or refinancing
24 of outstanding bonds.

25 (6) The procedure, if any, by which the terms of any
26 contract with bondholders may be altered or amended and the

1 amount of bonds and holders of which must consent thereto
2 and the manner in which consent shall be given.

3 (7) Defining the acts or omissions which shall
4 constitute a default in the duties of the State Authority
5 to holders of bonds and providing the rights or remedies of
6 such holders in the event of a default, which may include
7 provisions restricting individual rights of action by
8 bondholders.

9 (8) Providing for guarantees, pledges of property,
10 letters of credit, or other security, or insurance for the
11 benefit of bondholders.

12 (f) No member of the State Board, nor any person executing
13 the bonds, shall be liable personally on the bonds or subject
14 to any personal liability by reason of the issuance of the
15 bonds.

16 (g) The State Authority may issue and secure bonds in
17 accordance with the provisions of the Local Government Credit
18 Enhancement Act.

19 (h) A pledge by the State Authority of revenues and
20 receipts as security for an issue of bonds or for the
21 performance of its obligations under any casino management
22 contract shall be valid and binding from the time when the
23 pledge is made. The revenues and receipts pledged shall
24 immediately be subject to the lien of the pledge without any
25 physical delivery or further act, and the lien of any pledge
26 shall be valid and binding against any person having any claim

1 of any kind in tort, contract, or otherwise against the State
2 Authority, irrespective of whether the person has notice. No
3 resolution, trust indenture, management agreement or financing
4 statement, continuation statement, or other instrument adopted
5 or entered into by the State Authority need be filed or
6 recorded in any public record other than the records of the
7 State Authority in order to perfect the lien against third
8 persons, regardless of any contrary provision of law.

9 (i) Bonds that are being paid or retired by issuance, sale,
10 or delivery of bonds, and bonds for which sufficient funds have
11 been deposited with the paying agent or trustee to provide for
12 payment of principal and interest thereon, and any redemption
13 premium, as provided in the authorizing resolution, shall not
14 be considered outstanding for the purposes of this subsection.

15 (j) The bonds of the State Authority shall not be
16 indebtedness of the State. The bonds of the State Authority are
17 not general obligations of the State and are not secured by a
18 pledge of the full faith and credit of the State and the
19 holders of bonds of the State Authority may not require, except
20 as provided in this Act, the application of State revenues or
21 funds to the payment of bonds of the State Authority.

22 (k) The State of Illinois pledges and agrees with the
23 owners of the bonds that it will not limit or alter the rights
24 and powers vested in the State Authority by this Act so as to
25 impair the terms of any contract made by the State Authority
26 with the owners or in any way impair the rights and remedies of

1 the owners until the bonds, together with interest on them, and
2 all costs and expenses in connection with any action or
3 proceedings by or on behalf of the owners, are fully met and
4 discharged. The State Authority is authorized to include this
5 pledge and agreement in any contract with the owners of bonds
6 issued under this Section.

7 (1) No person holding an elective office in this State,
8 holding a seat in the General Assembly, or serving as a board
9 member, trustee, officer, or employee of the State Authority,
10 including the spouse of that person, may receive a legal,
11 banking, consulting, or other fee related to the issuance of
12 bonds.

13 Section 5-85. Derivative products. With respect to all or
14 part of any issue of its bonds, the State Authority may enter
15 into agreements or contracts with any necessary or appropriate
16 person, which will have the benefit of providing to the State
17 Authority an interest rate basis, cash flow basis, or other
18 basis different from that provided in the bonds for the payment
19 of interest. Such agreements or contracts may include, without
20 limitation, agreements or contracts commonly known as
21 "interest rate swap agreements", "forward payment conversion
22 agreements", "futures", "options", "puts", or "calls" and
23 agreements or contracts providing for payments based on levels
24 of or changes in interest rates, agreements or contracts to
25 exchange cash flows or a series of payments, or to hedge

1 payment, rate spread, or similar exposure.

2 Section 5-90. Legality for investment. The State of
3 Illinois, all governmental entities, all public officers,
4 banks, bankers, trust companies, savings banks and
5 institutions, building and loan associations, savings and loan
6 associations, investment companies, and other persons carrying
7 on a banking business, insurance companies, insurance
8 associations, and other persons carrying on an insurance
9 business, and all executors, administrators, guardians,
10 trustees, and other fiduciaries may legally invest any sinking
11 funds, moneys, or other funds belonging to them or within their
12 control in any bonds issued under this Act. However, nothing in
13 this Section shall be construed as relieving any person, firm,
14 or corporation from any duty of exercising reasonable care in
15 selecting securities for purchase or investment.

16 Section 5-95. Tax exemption. The State Authority and all of
17 its operations and property used for public purposes shall be
18 exempt from all taxation of any kind imposed by the State of
19 Illinois or any political subdivision, school district,
20 municipal corporation, or unit of local government of the State
21 of Illinois. However, nothing in this Act prohibits the
22 imposition of any other taxes where such imposition is not
23 prohibited by Section 21 of the Illinois Gambling Act.

1 Section 5-105. Budgets and reporting.

2 (a) The State Board shall annually adopt a budget for each
3 fiscal year. The budget may be modified from time to time in
4 the same manner and upon the same vote as it may be adopted.
5 The budget shall include the State Authority's available funds
6 and estimated revenues and shall provide for payment of its
7 obligations and estimated expenditures for the fiscal year,
8 including, without limitation, expenditures for
9 administration, operation, maintenance and repairs, debt
10 service, and deposits into reserve and other funds and capital
11 projects.

12 (b) The State Board shall annually cause the finances of
13 the State Authority to be audited by a firm of certified public
14 accountants and post the firm's audits of the State Authority
15 on the State Authority's Internet website.

16 (c) The State Board shall, for each fiscal year, prepare an
17 annual report setting forth information concerning its
18 activities in the fiscal year and the status of the development
19 of the casino. The annual report shall include the audited
20 financial statements of the State Authority for the fiscal
21 year, the budget for the succeeding fiscal year, and the
22 current capital plan as of the date of the report. Copies of
23 the annual report shall be made available to persons who
24 request them and shall be submitted not later than 120 days
25 after the end of the State Authority's fiscal year to the
26 Governor, the General Assembly, and the Commission on

1 Government Forecasting and Accountability.

2 Section 5-110. Deposit and withdrawal of funds.

3 (a) All funds deposited by the State Authority in any bank
4 or savings and loan association shall be placed in the name of
5 the State Authority and shall be withdrawn or paid out only by
6 check or draft upon the bank or savings and loan association,
7 signed by 2 officers or employees designated by the State
8 Board. Notwithstanding any other provision of this Section, the
9 State Board may designate any of its members or any officer or
10 employee of the State Authority to authorize the wire transfer
11 of funds deposited by the secretary-treasurer of funds in a
12 bank or savings and loan association for the payment of payroll
13 and employee benefits-related expenses.

14 No bank or savings and loan association shall receive
15 public funds as permitted by this Section unless it has
16 complied with the requirements established pursuant to Section
17 6 of the Public Funds Investment Act.

18 (b) If any officer or employee whose signature appears upon
19 any check or draft issued pursuant to this Act ceases (after
20 attaching his signature) to hold his or her office before the
21 delivery of such a check or draft to the payee, his or her
22 signature shall nevertheless be valid and sufficient for all
23 purposes with the same effect as if he or she had remained in
24 office until delivery thereof.

1 Section 5-112. Contracts with the State Authority or State
2 casino operator licensee; disclosure requirements.

3 (a) A bidder, respondent, offeror, or contractor must
4 disclose the names of all officers and directors. A bidder,
5 respondent, or offeror, or contractor for contracts with the
6 State Authority or State casino operator licensee shall
7 disclose the identity of every owner, beneficiary, or person
8 with beneficial interest of more than 1%, or shareholder
9 entitled to receive more than 1% of the total distributable
10 income of any corporation, having any interest in the contract
11 in the bidder, respondent, offeror, or contractor. The
12 disclosure shall be in writing and attested to by an owner,
13 trustee, corporate official, or agent. If stock in a
14 corporation is publicly traded and there is no readily known
15 individual having greater than a 1% interest, then a statement
16 to that effect attested to by an officer or agent of the
17 corporation or shall fulfill the disclosure statement
18 requirement of this Section. A bidder, respondent, offeror, or
19 contractor shall notify the State Authority of any changes in
20 officers, directors, ownership, or individuals having a
21 beneficial interest of more than 1%.

22 (b) A bidder, respondent, offeror, or contractor for
23 contracts with an annual value of \$10,000 or for a period to
24 exceed one year shall disclose all political contributions of
25 the bidder, respondent, offeror, or contractor and any
26 affiliated person or entity. Disclosure shall include at least

1 the names and addresses of the contributors and the dollar
2 amounts of any contributions to any political committee made
3 within the previous 2 years. The disclosure must be submitted
4 to the Gaming Board with a copy of the contract prior to Gaming
5 Board approval of the contract. The Gaming Board shall refuse
6 to approve any contract that does not include the required
7 disclosure.

8 (c) As used in this Section:

9 "Contribution" means contribution as defined in Section
10 9-1.4 of the Election Code.

11 "Affiliated person" means (i) any person with any ownership
12 interest or distributive share of the bidding, responding, or
13 contracting entity in excess of 1%, (ii) executive employees of
14 the bidding, responding, or contracting entity, and (iii) the
15 spouse and minor children of any such persons.

16 "Affiliated entity" means (i) any parent or subsidiary of
17 the bidding or contracting entity, (ii) any member of the same
18 unitary business group, or (iii) any political committee for
19 which the bidding, responding, or contracting entity is the
20 sponsoring entity.

21 (d) The Gaming Board may direct the State Authority or a
22 State casino operator licensee to void a contract if a
23 violation of this Section occurs. The State Authority may
24 direct a State casino operator licensee to void a contract if a
25 violation of this Section occurs.

1 Section 5-115. Purchasing.

2 (a) All construction contracts and contracts for supplies,
3 materials, equipment, and services, when the cost thereof to
4 the State Authority exceeds \$25,000, shall be let by a
5 competitive selection process to the lowest responsible
6 proposer, after advertising for proposals, except for the
7 following:

8 (1) When repair parts, accessories, equipment, or
9 services are required for equipment or services previously
10 furnished or contracted for;

11 (2) Professional services;

12 (3) When services such as water, light, heat, power,
13 telephone (other than long-distance service), or telegraph
14 are required;

15 (4) When contracts for the use, purchase, delivery,
16 movement, or installation of data processing equipment,
17 software, or services and telecommunications equipment,
18 software, and services are required;

19 (5) Casino management contracts, which shall be
20 awarded as set forth in Section 1-45 of this Act.

21 (b) All contracts involving less than \$25,000 shall be let
22 by competitive selection process whenever possible, and in any
23 event in a manner calculated to ensure the best interests of
24 the public.

25 (c) In determining the responsibility of any proposer, the
26 State Authority may take into account the proposer's (or an

1 individual having a beneficial interest, directly or
2 indirectly, of more than 1% in such proposing entity) past
3 record of dealings with the State Authority, the proposer's
4 experience, adequacy of equipment, and ability to complete
5 performance within the time set, and other factors besides
6 financial responsibility. No such contract shall be awarded to
7 any proposer other than the lowest proposer (in case of
8 purchase or expenditure) unless authorized or approved by a
9 vote of at least 2 members of the State Board and such action
10 is accompanied by a written statement setting forth the reasons
11 for not awarding the contract to the highest or lowest
12 proposer, as the case may be. The statement shall be kept on
13 file in the principal office of the State Authority and open to
14 public inspection.

15 (d) The State Authority shall have the right to reject all
16 proposals and to re-advertise for proposals. If after any such
17 re-advertisement, no responsible and satisfactory proposals,
18 within the terms of the re-advertisement, is received, the
19 State Authority may award such contract without competitive
20 selection, provided that the Gaming Board must approve the
21 contract prior to its execution. The contract must not be less
22 advantageous to the State Authority than any valid proposal
23 received pursuant to advertisement.

24 (e) Advertisements for proposals and re-proposals shall be
25 published at least once in a daily newspaper of general
26 circulation published in the county in which the principal

1 office of the State Authority is located at least 10 calendar
2 days before the time for receiving proposals, and such
3 advertisements shall also be posted on readily accessible
4 bulletin boards in the principal office of the State Authority.
5 Such advertisements shall state the time and place for
6 receiving and opening of proposals and, by reference to plans
7 and specifications on file at the time of the first publication
8 or in the advertisement itself, shall describe the character of
9 the proposed contract in sufficient detail to fully advise
10 prospective proposers of their obligations and to ensure free
11 and open competitive selection.

12 (f) All proposals in response to advertisements shall be
13 sealed and shall be publicly opened by the State Authority. All
14 proposers shall be entitled to be present in person or by
15 representatives. Cash or a certified or satisfactory cashier's
16 check, as a deposit of good faith, in a reasonable amount to be
17 fixed by the State Authority before advertising for proposals,
18 shall be required with the proposal. A bond for faithful
19 performance of the contract with surety or sureties
20 satisfactory to the State Authority and adequate insurance may
21 be required in reasonable amounts to be fixed by the State
22 Authority before advertising for proposals.

23 (g) The contract shall be awarded as promptly as possible
24 after the opening of proposals. The proposal of the successful
25 proposer, as well as the bids of the unsuccessful proposers,
26 shall be placed on file and be open to public inspection. All

1 proposals shall be void if any disclosure of the terms of any
2 proposals in response to an advertisement is made or permitted
3 to be made by the State Authority before the time fixed for
4 opening proposals.

5 (h) Notice of each and every contract that is offered,
6 including renegotiated contracts and change orders, shall be
7 published in an online bulletin. The online bulletin must
8 include at least the date first offered, the date submission of
9 offers is due, the location that offers are to be submitted to,
10 a brief purchase description, the method of source selection,
11 information of how to obtain a comprehensive purchase
12 description and any disclosure and contract forms, and
13 encouragement to prospective vendors to hire qualified
14 veterans, as defined by Section 45-67 of the Illinois
15 Procurement Code, and Illinois residents discharged from any
16 Illinois adult correctional center. Notice of each and every
17 contract that is let or awarded, including renegotiated
18 contracts and change orders, shall be published in the online
19 bulletin and must include at least all of the information
20 specified in this item (h), as well as the name of the
21 successful responsible proposer or offeror, the contract
22 price, and the number of unsuccessful responsive proposers and
23 any other disclosure specified in this Section. This notice
24 must be posted in the online electronic bulletin prior to
25 execution of the contract.

1 ARTICLE 90.

2 Section 90-1. The State Officials and Employees Ethics Act
3 is amended by changing Sections 5-50, 20-10, and 20-15 as
4 follows:

5 (5 ILCS 430/5-50)

6 Sec. 5-50. Ex parte communications; special government
7 agents.

8 (a) This Section applies to ex parte communications made to
9 any agency listed in subsection (e).

10 (b) "Ex parte communication" means any written or oral
11 communication by any person that imparts or requests material
12 information or makes a material argument regarding potential
13 action concerning regulatory, quasi-adjudicatory, investment,
14 or licensing matters pending before or under consideration by
15 the agency. "Ex parte communication" does not include the
16 following: (i) statements by a person publicly made in a public
17 forum; (ii) statements regarding matters of procedure and
18 practice, such as format, the number of copies required, the
19 manner of filing, and the status of a matter; and (iii)
20 statements made by a State employee of the agency to the agency
21 head or other employees of that agency.

22 (b-5) An ex parte communication received by an agency,
23 agency head, or other agency employee from an interested party
24 or his or her official representative or attorney shall

1 promptly be memorialized and made a part of the record.

2 (c) An ex parte communication received by any agency,
3 agency head, or other agency employee, other than an ex parte
4 communication described in subsection (b-5), shall immediately
5 be reported to that agency's ethics officer by the recipient of
6 the communication and by any other employee of that agency who
7 responds to the communication. The ethics officer shall require
8 that the ex parte communication be promptly made a part of the
9 record. The ethics officer shall promptly file the ex parte
10 communication with the Executive Ethics Commission, including
11 all written communications, all written responses to the
12 communications, and a memorandum prepared by the ethics officer
13 stating the nature and substance of all oral communications,
14 the identity and job title of the person to whom each
15 communication was made, all responses made, the identity and
16 job title of the person making each response, the identity of
17 each person from whom the written or oral ex parte
18 communication was received, the individual or entity
19 represented by that person, any action the person requested or
20 recommended, and any other pertinent information. The
21 disclosure shall also contain the date of any ex parte
22 communication.

23 (d) "Interested party" means a person or entity whose
24 rights, privileges, or interests are the subject of or are
25 directly affected by a regulatory, quasi-adjudicatory,
26 investment, or licensing matter.

1 (e) This Section applies to the following agencies:

2 Executive Ethics Commission

3 Illinois Commerce Commission

4 Educational Labor Relations Board

5 State Board of Elections

6 ~~Illinois Gaming Board~~

7 Health Facilities Planning Board

8 Illinois Workers' Compensation Commission

9 Illinois Labor Relations Board

10 Illinois Liquor Control Commission

11 Pollution Control Board

12 Property Tax Appeal Board

13 ~~Illinois Racing Board~~

14 Illinois Purchased Care Review Board

15 Department of State Police Merit Board

16 Motor Vehicle Review Board

17 Prisoner Review Board

18 Civil Service Commission

19 Personnel Review Board for the Treasurer

20 Merit Commission for the Secretary of State

21 Merit Commission for the Office of the Comptroller

22 Court of Claims

23 Board of Review of the Department of Employment Security

24 Department of Insurance

25 Department of Professional Regulation and licensing boards

26 under the Department

1 Department of Public Health and licensing boards under the
2 Department
3 Office of Banks and Real Estate and licensing boards under
4 the Office
5 State Employees Retirement System Board of Trustees
6 Judges Retirement System Board of Trustees
7 General Assembly Retirement System Board of Trustees
8 Illinois Board of Investment
9 State Universities Retirement System Board of Trustees
10 Teachers Retirement System Officers Board of Trustees

11 (f) Any person who fails to (i) report an ex parte
12 communication to an ethics officer, (ii) make information part
13 of the record, or (iii) make a filing with the Executive Ethics
14 Commission as required by this Section or as required by
15 Section 5-165 of the Illinois Administrative Procedure Act
16 violates this Act.

17 (Source: P.A. 95-331, eff. 8-21-07.)

18 (5 ILCS 430/20-10)

19 Sec. 20-10. Offices of Executive Inspectors General.

20 (a) ~~Six~~ Five independent Offices of the Executive Inspector
21 General are created, one each for the Governor, the Attorney
22 General, the Secretary of State, the Comptroller, and the
23 Treasurer and one for gaming activities. Each Office shall be
24 under the direction and supervision of an Executive Inspector
25 General and shall be a fully independent office with separate

1 appropriations.

2 (b) The Governor, Attorney General, Secretary of State,
3 Comptroller, and Treasurer shall each appoint an Executive
4 Inspector General, and the Director of Gaming Enforcement shall
5 appoint an Executive Inspector General for gaming activities.
6 Each appointment must be made without regard to political
7 affiliation and solely on the basis of integrity and
8 demonstrated ability. Appointments shall be made by and with
9 the advice and consent of the Senate by three-fifths of the
10 elected members concurring by record vote. Any nomination not
11 acted upon by the Senate within 60 session days of the receipt
12 thereof shall be deemed to have received the advice and consent
13 of the Senate. If, during a recess of the Senate, there is a
14 vacancy in an office of Executive Inspector General, the
15 appointing authority shall make a temporary appointment until
16 the next meeting of the Senate when the appointing authority
17 shall make a nomination to fill that office. No person rejected
18 for an office of Executive Inspector General shall, except by
19 the Senate's request, be nominated again for that office at the
20 same session of the Senate or be appointed to that office
21 during a recess of that Senate.

22 Nothing in this Article precludes the appointment by the
23 Governor, Attorney General, Secretary of State, Comptroller,
24 or Treasurer of any other inspector general required or
25 permitted by law. The Governor, Attorney General, Secretary of
26 State, Comptroller, and Treasurer each may appoint an existing

1 inspector general as the Executive Inspector General required
2 by this Article, provided that such an inspector general is not
3 prohibited by law, rule, jurisdiction, qualification, or
4 interest from serving as the Executive Inspector General
5 required by this Article. An appointing authority may not
6 appoint a relative as an Executive Inspector General.

7 Each Executive Inspector General shall have the following
8 qualifications:

9 (1) has not been convicted of any felony under the laws
10 of this State, another State, or the United States;

11 (2) has earned a baccalaureate degree from an
12 institution of higher education; and

13 (3) has 5 or more years of cumulative service (A) with
14 a federal, State, or local law enforcement agency, at least
15 2 years of which have been in a progressive investigatory
16 capacity; (B) as a federal, State, or local prosecutor; (C)
17 as a senior manager or executive of a federal, State, or
18 local agency; (D) as a member, an officer, or a State or
19 federal judge; or (E) representing any combination of (A)
20 through (D).

21 The term of each initial Executive Inspector General shall
22 commence upon qualification and shall run through June 30,
23 2008. The initial appointments shall be made within 60 days
24 after the effective date of this Act.

25 After the initial term, each Executive Inspector General
26 shall serve for 5-year terms commencing on July 1 of the year

1 of appointment and running through June 30 of the fifth
2 following year. An Executive Inspector General may be
3 reappointed to one or more subsequent terms.

4 A vacancy occurring other than at the end of a term shall
5 be filled by the appointing authority only for the balance of
6 the term of the Executive Inspector General whose office is
7 vacant.

8 Terms shall run regardless of whether the position is
9 filled.

10 (c) The Executive Inspector General appointed by the
11 Attorney General shall have jurisdiction over the Attorney
12 General and all officers and employees of, and vendors and
13 others doing business with, State agencies within the
14 jurisdiction of the Attorney General. The Executive Inspector
15 General appointed by the Secretary of State shall have
16 jurisdiction over the Secretary of State and all officers and
17 employees of, and vendors and others doing business with, State
18 agencies within the jurisdiction of the Secretary of State. The
19 Executive Inspector General appointed by the Comptroller shall
20 have jurisdiction over the Comptroller and all officers and
21 employees of, and vendors and others doing business with, State
22 agencies within the jurisdiction of the Comptroller. The
23 Executive Inspector General appointed by the Treasurer shall
24 have jurisdiction over the Treasurer and all officers and
25 employees of, and vendors and others doing business with, State
26 agencies within the jurisdiction of the Treasurer. The

1 Executive Inspector General appointed by the Governor shall
2 have jurisdiction over the Governor, the Lieutenant Governor,
3 and all officers and employees of, and vendors and others doing
4 business with, executive branch State agencies under the
5 jurisdiction of the Executive Ethics Commission and not within
6 the jurisdiction of the Attorney General, the Secretary of
7 State, the Comptroller, ~~or~~ the Treasurer, or the Executive
8 Inspector General for gaming activities. The Executive
9 Inspector General for gaming activities appointed by the
10 Director of Gaming Enforcement has jurisdiction over the
11 Illinois Gaming Board, Illinois Racing Board, the Office of
12 Gaming Enforcement, the Illinois Casino Development Authority,
13 and all officers and employees of those agencies.

14 The jurisdiction of each Executive Inspector General is to
15 investigate allegations of fraud, waste, abuse, mismanagement,
16 misconduct, nonfeasance, misfeasance, malfeasance, or
17 violations of this Act or violations of other related laws and
18 rules.

19 (d) The minimum compensation for each Executive Inspector
20 General shall be determined by the Executive Ethics Commission.
21 The actual compensation for each Executive Inspector General
22 shall be determined by the appointing ~~executive branch~~
23 ~~constitutional~~ officer and must be at or above the minimum
24 compensation level set by the Executive Ethics Commission.
25 Subject to Section 20-45 of this Act, each Executive Inspector
26 General has full authority to organize his or her Office of the

1 Executive Inspector General, including the employment and
2 determination of the compensation of staff, such as deputies,
3 assistants, and other employees, as appropriations permit. A
4 separate appropriation shall be made for each Office of
5 Executive Inspector General.

6 (e) No Executive Inspector General or employee of the
7 Office of the Executive Inspector General may, during his or
8 her term of appointment or employment:

9 (1) become a candidate for any elective office;

10 (2) hold any other elected or appointed public office
11 except for appointments on governmental advisory boards or
12 study commissions or as otherwise expressly authorized by
13 law;

14 (3) be actively involved in the affairs of any
15 political party or political organization; or

16 (4) actively participate in any campaign for any
17 elective office.

18 In this subsection an appointed public office means a
19 position authorized by law that is filled by an appointing
20 authority as provided by law and does not include employment by
21 hiring in the ordinary course of business.

22 (e-1) No Executive Inspector General or employee of the
23 Office of the Executive Inspector General may, for one year
24 after the termination of his or her appointment or employment:

25 (1) become a candidate for any elective office;

26 (2) hold any elected public office; or

1 (3) hold any appointed State, county, or local judicial
2 office.

3 (e-2) The requirements of item (3) of subsection (e-1) may
4 be waived by the Executive Ethics Commission.

5 (f) An Executive Inspector General may be removed only for
6 cause and may be removed only by the appointing ~~constitutional~~
7 officer. At the time of the removal, the appointing
8 ~~constitutional~~ officer must report to the Executive Ethics
9 Commission the justification for the removal.

10 (Source: P.A. 93-617, eff. 12-9-03.)

11 (5 ILCS 430/20-15)

12 Sec. 20-15. Duties of the Executive Ethics Commission. In
13 addition to duties otherwise assigned by law, the Executive
14 Ethics Commission shall have the following duties:

15 (1) To promulgate rules governing the performance of
16 its duties and the exercise of its powers and governing the
17 investigations of the Executive Inspectors General. It is
18 declared to be in the public interest, safety, and welfare
19 that the Commission adopt emergency rules under the
20 Illinois Administrative Procedure Act to initially perform
21 its duties under this subsection.

22 (2) To conduct administrative hearings and rule on
23 matters brought before the Commission only upon the receipt
24 of pleadings filed by an Executive Inspector General and
25 not upon its own prerogative, but may appoint special

1 Executive Inspectors General as provided in Section 20-21.
2 Any other allegations of misconduct received by the
3 Commission from a person other than an Executive Inspector
4 General shall be referred to the Office of the appropriate
5 Executive Inspector General.

6 (3) To prepare and publish manuals and guides and,
7 working with the Office of the Attorney General, oversee
8 training of employees under its jurisdiction that explains
9 their duties.

10 (4) To prepare public information materials to
11 facilitate compliance, implementation, and enforcement of
12 this Act.

13 (5) To submit reports as required by this Act.

14 (6) To the extent authorized by this Act, to make
15 rulings, issue recommendations, and impose administrative
16 fines, if appropriate, in connection with the
17 implementation and interpretation of this Act. The powers
18 and duties of the Commission are limited to matters clearly
19 within the purview of this Act.

20 (7) To issue subpoenas with respect to matters pending
21 before the Commission, subject to the provisions of this
22 Article and in the discretion of the Commission, to compel
23 the attendance of witnesses for purposes of testimony and
24 the production of documents and other items for inspection
25 and copying.

26 (8) To appoint special Executive Inspectors General as

1 provided in Section 20-21.

2 (9) Pursuant to Section 5.3 of the Illinois Gambling
3 Act, select members as required to review applications and
4 appoint members to the Nomination Panel established under
5 the Illinois Gambling Act.

6 (Source: P.A. 93-617, eff. 12-9-03.)

7 Section 90-2. The Executive Reorganization Implementation
8 Act is amended by changing Section 3.1 as follows:

9 (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

10 Sec. 3.1. "Agency directly responsible to the Governor" or
11 "agency" means any office, officer, division, or part thereof,
12 and any other office, nonelective officer, department,
13 division, bureau, board, or commission in the executive branch
14 of State government, except that it does not apply to any
15 agency whose primary function is service to the General
16 Assembly or the Judicial Branch of State government, or to any
17 agency administered by the Attorney General, Secretary of
18 State, State Comptroller or State Treasurer. In addition the
19 term does not apply to the following agencies created by law
20 with the primary responsibility of exercising regulatory or
21 adjudicatory functions independently of the Governor:

- 22 (1) the State Board of Elections;
23 (2) the State Board of Education;
24 (3) the Illinois Commerce Commission;

- 1 (4) the Illinois Workers' Compensation Commission;
2 (5) the Civil Service Commission;
3 (6) the Fair Employment Practices Commission;
4 (7) the Pollution Control Board;
5 (8) the Department of State Police Merit Board;
6 (9) the Illinois Gaming Board;
7 (10) the Office of Gaming Enforcement; and
8 (11) the Illinois Racing Board.
9 (Source: P.A. 93-721, eff. 1-1-05.)

10 Section 90-5. The Alcoholism and Other Drug Abuse and
11 Dependency Act is amended by changing Section 5-20 as follows:

12 (20 ILCS 301/5-20)

13 Sec. 5-20. Compulsive gambling program.

14 (a) Subject to appropriation, the Department shall
15 establish a program for public education, research, and
16 training regarding problem and compulsive gambling and the
17 treatment and prevention of problem and compulsive gambling.
18 Subject to specific appropriation for these stated purposes,
19 the program must include all of the following:

20 (1) Establishment and maintenance of a toll-free "800"
21 telephone number to provide crisis counseling and referral
22 services to families experiencing difficulty as a result of
23 problem or compulsive gambling.

24 (2) Promotion of public awareness regarding the

1 recognition and prevention of problem and compulsive
2 gambling.

3 (3) Facilitation, through in-service training and
4 other means, of the availability of effective assistance
5 programs for problem and compulsive gamblers.

6 (4) Conducting studies to identify adults and
7 juveniles in this State who are, or who are at risk of
8 becoming, problem or compulsive gamblers.

9 (b) Subject to appropriation, the Department shall either
10 establish and maintain the program or contract with a private
11 or public entity for the establishment and maintenance of the
12 program. Subject to appropriation, either the Department or the
13 private or public entity shall implement the toll-free
14 telephone number, promote public awareness, and conduct
15 in-service training concerning problem and compulsive
16 gambling.

17 (c) Subject to appropriation, the Department shall produce
18 and supply the signs specified in Section 10.7 of the Illinois
19 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
20 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
21 of the Charitable Games Act, and Section 13.1 of the Illinois
22 ~~Riverboat~~ Gambling Act.

23 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

24 Section 90-7. The Department of Commerce and Economic
25 Opportunity Law of the Civil Administrative Code of Illinois is

1 amended by adding Section 605-530 as follows:

2 (20 ILCS 605/605-530 new)

3 Sec. 605-530. The Depressed Communities Economic
4 Development Board.

5 (a) The Depressed Communities Economic Development Board
6 is created as an advisory board within the Department of
7 Commerce and Economic Opportunity. The Board shall consist of
8 10 members as follows:

9 (1) 2 members appointed by the President of the Senate,
10 one of whom is appointed to serve an initial term of one
11 year and one of whom is appointed to serve an initial term
12 of 2 years.

13 (2) 2 members appointed by the Minority Leader of the
14 Senate, one of whom is appointed to serve an initial term
15 of one year and one of whom is appointed to serve an
16 initial term of 2 years.

17 (3) 2 members appointed by the Speaker of the House of
18 Representatives, one of whom is appointed to serve an
19 initial term of one year and one of whom is appointed to
20 serve an initial term of 2 years.

21 (4) 2 members appointed by the Minority Leader of the
22 House of Representatives, one of whom is appointed to serve
23 an initial term of one year and one of whom is appointed to
24 serve an initial term of 2 years.

25 (5) 2 members appointed by the Governor with the advice

1 and consent of the Senate, one of whom is appointed to
2 serve an initial term of one year and one of whom is
3 appointed to serve an initial term of 2 years as chair of
4 the Board at the time of appointment.

5 After the initial terms, each member shall be appointed to
6 serve a term of 2 years and until his or her successor has been
7 appointed and assumes office. If a vacancy occurs in the Board
8 membership, the vacancy shall be filled in the same manner as
9 the initial appointment.

10 (b) Board members shall serve without compensation but may
11 be reimbursed for their reasonable travel expenses from funds
12 available for that purpose. The Department of Commerce and
13 Economic Opportunity shall provide staff and administrative
14 support services to the Board.

15 (c) The Board must make recommendations to the Department
16 of Commerce and Economic Opportunity concerning the award of
17 grants from amounts appropriated to the Department from the
18 Depressed Communities Economic Development Fund. The
19 Department must make grants to public or private entities
20 submitting proposals to the Board to revitalize an Illinois
21 depressed community within Cook County. Grants may be used by
22 these entities only for those purposes conditioned with the
23 grant. For the purposes of this subsection (c), plans for
24 revitalizing an Illinois depressed community include plans
25 intended to curb high levels of poverty, unemployment, job and
26 population loss, and general distress. An Illinois depressed

1 community (i) is an area within Cook County where the poverty
2 rate, as determined by using the most recent data released by
3 the United States Census Bureau, is at least 3% greater than
4 the State poverty rate as determined by using the most recent
5 data released by the United States Census Bureau; or (ii) is an
6 area within following zip codes: 60104, 60153, 60160, 60402,
7 60406, 60409, 60411, 60419, 60426, 60429, 60432, 60472, 60473,
8 60608, 60609, 60612, 60614, 60615, 60617, 60618, 60619, 60620,
9 60622, 60623, 60624, 60628, 60629, 60630, 60632, 60636, 60637,
10 60638, 60639, 60641, 60643, 60644, 60647, 60649, 60651, 60652,
11 60653, 60655, 60804, and 60827.

12 Section 90-10. The Department of Revenue Law of the Civil
13 Administrative Code of Illinois is amended by changing Section
14 2505-305 as follows:

15 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

16 Sec. 2505-305. Investigators.

17 (a) The Department has the power to appoint investigators
18 to conduct all investigations, searches, seizures, arrests,
19 and other duties imposed under the provisions of any law
20 administered by the Department ~~or the Illinois Gaming Board~~.
21 Except as provided in subsection (c), these investigators have
22 and may exercise all the powers of peace officers solely for
23 the purpose of enforcing taxing measures administered by the
24 Department ~~or the Illinois Gaming Board~~.

1 (b) The Director must authorize to each investigator
2 employed under this Section and to any other employee of the
3 Department exercising the powers of a peace officer a distinct
4 badge that, on its face, (i) clearly states that the badge is
5 authorized by the Department and (ii) contains a unique
6 identifying number. No other badge shall be authorized by the
7 Department.

8 ~~(c) Investigators appointed under this Section who are~~
9 ~~assigned to the Illinois Gaming Board have and may exercise all~~
10 ~~the rights and powers of peace officers, provided that these~~
11 ~~powers shall be limited to offenses or violations occurring or~~
12 ~~committed on a riverboat or dock, as defined in subsections (d)~~
13 ~~and (f) of Section 4 of the Riverboat Gambling Act.~~

14 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,
15 eff. 1-1-02.)

16 Section 90-11. The Department of Transportation Law of the
17 Civil Administrative Code of Illinois is amended by adding
18 Section 2705-585 as follows:

19 (20 ILCS 2705/2705-585 new)

20 Sec. 2705-585. Condition Rating Survey mandates.

21 (a) Each highway district must have an average interstate
22 Condition Rating Survey (CRS) within 4% of the statewide
23 average.

24 (b) Each highway district must have an average marked route

1 CRS within 5% of the statewide average.

2 (c) Each highway district must have an average bridge
3 condition CRS within 3% of the statewide average.

4 (d) The Department must publish an annual report, and
5 release that report for review and comment by December 31 each
6 year, to verify that the mandates contained in subsections (a)
7 through (c) have been met. If a highway district's average does
8 not meet any mandate, the Department must identify the funding
9 necessary to bring that district into compliance with the
10 update of the Multi-Year Highway Improvement Program. The
11 Auditor General shall verify the accuracy of the Department's
12 reporting with an audit every 2 years.

13 Section 90-12. The Illinois State Auditing Act is amended
14 by changing Section 3-1 as follows:

15 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

16 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
17 General has jurisdiction over all State agencies to make post
18 audits and investigations authorized by or under this Act or
19 the Constitution.

20 The Auditor General has jurisdiction over local government
21 agencies and private agencies only:

22 (a) to make such post audits authorized by or under
23 this Act as are necessary and incidental to a post audit of
24 a State agency or of a program administered by a State

1 agency involving public funds of the State, but this
2 jurisdiction does not include any authority to review local
3 governmental agencies in the obligation, receipt,
4 expenditure or use of public funds of the State that are
5 granted without limitation or condition imposed by law,
6 other than the general limitation that such funds be used
7 for public purposes;

8 (b) to make investigations authorized by or under this
9 Act or the Constitution; and

10 (c) to make audits of the records of local government
11 agencies to verify actual costs of state-mandated programs
12 when directed to do so by the Legislative Audit Commission
13 at the request of the State Board of Appeals under the
14 State Mandates Act.

15 In addition to the foregoing, the Auditor General may
16 conduct an audit of the Metropolitan Pier and Exposition
17 Authority, the Regional Transportation Authority, the Suburban
18 Bus Division, the Commuter Rail Division and the Chicago
19 Transit Authority and any other subsidized carrier when
20 authorized by the Legislative Audit Commission. Such audit may
21 be a financial, management or program audit, or any combination
22 thereof.

23 The audit shall determine whether they are operating in
24 accordance with all applicable laws and regulations. Subject to
25 the limitations of this Act, the Legislative Audit Commission
26 may by resolution specify additional determinations to be

1 included in the scope of the audit.

2 In addition to the foregoing, the Auditor General must also
3 conduct a financial audit of the Illinois Sports Facilities
4 Authority's expenditures of public funds in connection with the
5 reconstruction, renovation, remodeling, extension, or
6 improvement of all or substantially all of any existing
7 "facility", as that term is defined in the Illinois Sports
8 Facilities Authority Act.

9 The Auditor General may also conduct an audit, when
10 authorized by the Legislative Audit Commission, of any hospital
11 which receives 10% or more of its gross revenues from payments
12 from the State of Illinois, Department of Healthcare and Family
13 Services (formerly Department of Public Aid), Medical
14 Assistance Program.

15 The Auditor General is authorized to conduct financial and
16 compliance audits of the Illinois Distance Learning Foundation
17 and the Illinois Conservation Foundation.

18 As soon as practical after the effective date of this
19 amendatory Act of 1995, the Auditor General shall conduct a
20 compliance and management audit of the City of Chicago and any
21 other entity with regard to the operation of Chicago O'Hare
22 International Airport, Chicago Midway Airport and Merrill C.
23 Meigs Field. The audit shall include, but not be limited to, an
24 examination of revenues, expenses, and transfers of funds;
25 purchasing and contracting policies and practices; staffing
26 levels; and hiring practices and procedures. When completed,

1 the audit required by this paragraph shall be distributed in
2 accordance with Section 3-14.

3 The Auditor General shall conduct a financial and
4 compliance and program audit of distributions from the
5 Municipal Economic Development Fund during the immediately
6 preceding calendar year pursuant to Section 8-403.1 of the
7 Public Utilities Act at no cost to the city, village, or
8 incorporated town that received the distributions.

9 The Auditor General must conduct an audit of the Health
10 Facilities Planning Board pursuant to Section 19.5 of the
11 Illinois Health Facilities Planning Act.

12 The Auditor General must conduct an audit of the Chicago
13 Casino Development Authority pursuant to Section 1-60 of the
14 Chicago Casino Development Authority Act and the Illinois
15 Casino Development Authority pursuant to Section 5-60 of the
16 Illinois Casino Development Authority Act.

17 The Auditor General of the State of Illinois shall annually
18 conduct or cause to be conducted a financial and compliance
19 audit of the books and records of any county water commission
20 organized pursuant to the Water Commission Act of 1985 and
21 shall file a copy of the report of that audit with the Governor
22 and the Legislative Audit Commission. The filed audit shall be
23 open to the public for inspection. The cost of the audit shall
24 be charged to the county water commission in accordance with
25 Section 6z-27 of the State Finance Act. The county water
26 commission shall make available to the Auditor General its

1 books and records and any other documentation, whether in the
2 possession of its trustees or other parties, necessary to
3 conduct the audit required. These audit requirements apply only
4 through July 1, 2007.

5 The Auditor General must conduct audits of the Rend Lake
6 Conservancy District as provided in Section 25.5 of the River
7 Conservancy Districts Act.

8 The Auditor General must conduct financial audits of the
9 Southeastern Illinois Economic Development Authority as
10 provided in Section 70 of the Southeastern Illinois Economic
11 Development Authority Act.

12 (Source: P.A. 95-331, eff. 8-21-07.)

13 Section 90-15. The State Finance Act is amended by changing
14 Section 8h and adding Sections 5.710, 5.711, 5.712, 5.713,
15 5.714, and 6z-73 as follows:

16 (30 ILCS 105/5.710 new)

17 Sec. 5.710. The Illinois Works Fund.

18 (30 ILCS 105/5.711 new)

19 Sec. 5.711. The Focusing on Children, Uplifting Schools
20 (FOCUS) Fund.

21 (30 ILCS 105/5.712 new)

22 Sec. 5.712. The Depressed Communities Economic Development

1 Fund.

2 (30 ILCS 105/5.713 new)

3 Sec. 5.713. The Illinois Works Debt Service Fund.

4 (30 ILCS 105/5.714 new)

5 Sec. 5.714. The Illinois Casino Development Authority
6 Fund.

7 (30 ILCS 105/6z-73 new)

8 Sec. 6z-73. FOCUS Fund.

9 (a) There is created the Focusing on Children, Uplifting
10 Schools (FOCUS) Fund as a special fund in the State treasury.
11 All money in the Fund shall be used, subject to appropriation,
12 by the State Board of Education as provided in this Section.

13 (b) The State Board of Education shall distribute the money
14 in the FOCUS Fund as follows:

15 (1) Sixty percent of the money in the Fund must be
16 distributed according to the general State aid formula set
17 forth in Section 18-8.05 of the School Code.

18 (2) Fifteen percent of the money in the Fund must be
19 distributed to school districts through the School Safety
20 and Educational Improvement Block Grant Program set forth
21 in Section 2-3.51.5 of the School Code.

22 (3) Five percent of the money in the Fund must be
23 distributed as fast growth grants under Section 18-8.10 of

1 the School Code to school districts that qualify.

2 (4) Five percent of the money in the Fund must be
3 distributed to the Regional Offices of Education for a
4 program to re-enroll dropouts.

5 (5) Fifteen percent of the money in the Fund must be
6 distributed through an Early Childhood Education Block
7 Grant under Section 1C-2 of the School Code.

8 (30 ILCS 105/8h)

9 Sec. 8h. Transfers to General Revenue Fund.

10 (a) Except as otherwise provided in this Section and
11 Section 8n of this Act, and notwithstanding any other State law
12 to the contrary, the Governor may, through June 30, 2007, from
13 time to time direct the State Treasurer and Comptroller to
14 transfer a specified sum from any fund held by the State
15 Treasurer to the General Revenue Fund in order to help defray
16 the State's operating costs for the fiscal year. The total
17 transfer under this Section from any fund in any fiscal year
18 shall not exceed the lesser of (i) 8% of the revenues to be
19 deposited into the fund during that fiscal year or (ii) an
20 amount that leaves a remaining fund balance of 25% of the July
21 1 fund balance of that fiscal year. In fiscal year 2005 only,
22 prior to calculating the July 1, 2004 final balances, the
23 Governor may calculate and direct the State Treasurer with the
24 Comptroller to transfer additional amounts determined by
25 applying the formula authorized in Public Act 93-839 to the

1 funds balances on July 1, 2003. No transfer may be made from a
2 fund under this Section that would have the effect of reducing
3 the available balance in the fund to an amount less than the
4 amount remaining unexpended and unreserved from the total
5 appropriation from that fund estimated to be expended for that
6 fiscal year. This Section does not apply to any funds that are
7 restricted by federal law to a specific use, to any funds in
8 the Motor Fuel Tax Fund, the Intercity Passenger Rail Fund, the
9 Hospital Provider Fund, the Medicaid Provider Relief Fund, the
10 Teacher Health Insurance Security Fund, the Reviewing Court
11 Alternative Dispute Resolution Fund, the Voters' Guide Fund,
12 the Foreign Language Interpreter Fund, the Lawyers' Assistance
13 Program Fund, the Supreme Court Federal Projects Fund, the
14 Supreme Court Special State Projects Fund, the Supplemental
15 Low-Income Energy Assistance Fund, the Good Samaritan Energy
16 Trust Fund, the Low-Level Radioactive Waste Facility
17 Development and Operation Fund, the Horse Racing Equity Trust
18 Fund, the Racing Industry Workers' Trust Fund, the Illinois
19 Equine Research Trust Fund, the Illinois Colt Stakes Purse
20 Distribution Fund, the Illinois Thoroughbred Breeders Fund,
21 the Illinois Racing Quarter Horse Breeders Fund, the Illinois
22 Standardbred Breeders Fund, the Illinois Works Fund, the
23 Illinois Works Debt Service Fund, the Illinois Education Trust
24 Fund, the Leaking Underground Storage Tank (LUST) Fund, the
25 Focusing on Children, Uplifting Schools (FOCUS) Fund, the
26 Depressed Communities Economic Development Fund, the Illinois

1 Casino Development Authority Fund, the Metabolic Screening and
2 Treatment Fund, or the Hospital Basic Services Preservation
3 Fund, or to any funds to which Section 70-50 of the Nurse
4 Practice Act applies. No transfers may be made under this
5 Section from the Pet Population Control Fund. Notwithstanding
6 any other provision of this Section, for fiscal year 2004, the
7 total transfer under this Section from the Road Fund or the
8 State Construction Account Fund shall not exceed the lesser of
9 (i) 5% of the revenues to be deposited into the fund during
10 that fiscal year or (ii) 25% of the beginning balance in the
11 fund. For fiscal year 2005 through fiscal year 2007, no amounts
12 may be transferred under this Section from the Road Fund, the
13 State Construction Account Fund, the Criminal Justice
14 Information Systems Trust Fund, the Wireless Service Emergency
15 Fund, or the Mandatory Arbitration Fund.

16 In determining the available balance in a fund, the
17 Governor may include receipts, transfers into the fund, and
18 other resources anticipated to be available in the fund in that
19 fiscal year.

20 The State Treasurer and Comptroller shall transfer the
21 amounts designated under this Section as soon as may be
22 practicable after receiving the direction to transfer from the
23 Governor.

24 (a-5) Transfers directed to be made under this Section on
25 or before February 28, 2006 that are still pending on May 19,
26 2006 (the effective date of Public Act 94-774) shall be

1 redirected as provided in Section 8n of this Act.

2 (b) This Section does not apply to: (i) the Ticket For The
3 Cure Fund; (ii) any fund established under the Community Senior
4 Services and Resources Act; or (iii) on or after January 1,
5 2006 (the effective date of Public Act 94-511), the Child Labor
6 and Day and Temporary Labor Enforcement Fund.

7 (c) This Section does not apply to the Demutualization
8 Trust Fund established under the Uniform Disposition of
9 Unclaimed Property Act.

10 (d) This Section does not apply to moneys set aside in the
11 Illinois State Podiatric Disciplinary Fund for podiatric
12 scholarships and residency programs under the Podiatric
13 Scholarship and Residency Act.

14 (e) Subsection (a) does not apply to, and no transfer may
15 be made under this Section from, the Pension Stabilization
16 Fund.

17 (f) Subsection (a) does not apply to, and no transfer may
18 be made under this Section from, the Illinois Power Agency
19 Operations Fund, the Illinois Power Agency Facilities Fund, the
20 Illinois Power Agency Debt Service Fund, and the Illinois Power
21 Agency Trust Fund.

22 (g) ~~(f)~~ This Section does not apply to the Veterans Service
23 Organization Reimbursement Fund.

24 (h) ~~(f)~~ This Section does not apply to the Supreme Court
25 Historic Preservation Fund.

26 (Source: P.A. 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511,

1 eff. 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05;
2 94-645, eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff.
3 11-2-05; 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; 94-773,
4 eff. 5-18-06; 94-774, eff. 5-19-06; 94-804, eff. 5-26-06;
5 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-410, eff.
6 8-24-07; 95-481, eff. 8-28-07; 95-629, eff. 9-25-07; 95-639,
7 eff. 10-5-07; 95-695, eff. 11-5-07; revised 11-2-07.)

8 Section 90-20. The Illinois Procurement Code is amended by
9 changing Section 50-70 as follows:

10 (30 ILCS 500/50-70)

11 Sec. 50-70. Additional provisions. This Code is subject to
12 applicable provisions of the following Acts:

- 13 (1) Article 33E of the Criminal Code of 1961;
- 14 (2) the Illinois Human Rights Act;
- 15 (3) the Discriminatory Club Act;
- 16 (4) the Illinois Governmental Ethics Act;
- 17 (5) the State Prompt Payment Act;
- 18 (6) the Public Officer Prohibited Activities Act;
- 19 (7) the Drug Free Workplace Act; ~~and~~
- 20 (8) the Illinois Power Agency Act; ~~and~~
- 21 (9) ~~(8)~~ the Employee Classification Act; and ~~and~~
- 22 (10) the Illinois Gambling Act.

23 (Source: P.A. 95-26, eff. 1-1-08; 95-481, eff. 8-28-07; revised
24 11-2-07.)

1 Section 90-21. The Retailers' Occupation Tax Act is amended
2 by changing Section 3 as follows:

3 (35 ILCS 120/3) (from Ch. 120, par. 442)

4 Sec. 3. Except as provided in this Section, on or before
5 the twentieth day of each calendar month, every person engaged
6 in the business of selling tangible personal property at retail
7 in this State during the preceding calendar month shall file a
8 return with the Department, stating:

9 1. The name of the seller;

10 2. His residence address and the address of his
11 principal place of business and the address of the
12 principal place of business (if that is a different
13 address) from which he engages in the business of selling
14 tangible personal property at retail in this State;

15 3. Total amount of receipts received by him during the
16 preceding calendar month or quarter, as the case may be,
17 from sales of tangible personal property, and from services
18 furnished, by him during such preceding calendar month or
19 quarter;

20 4. Total amount received by him during the preceding
21 calendar month or quarter on charge and time sales of
22 tangible personal property, and from services furnished,
23 by him prior to the month or quarter for which the return
24 is filed;

- 1 5. Deductions allowed by law;
- 2 6. Gross receipts which were received by him during the
- 3 preceding calendar month or quarter and upon the basis of
- 4 which the tax is imposed;
- 5 7. The amount of credit provided in Section 2d of this
- 6 Act;
- 7 8. The amount of tax due;
- 8 9. The signature of the taxpayer; and
- 9 10. Such other reasonable information as the
- 10 Department may require.

11 If a taxpayer fails to sign a return within 30 days after
12 the proper notice and demand for signature by the Department,
13 the return shall be considered valid and any amount shown to be
14 due on the return shall be deemed assessed.

15 Each return shall be accompanied by the statement of
16 prepaid tax issued pursuant to Section 2e for which credit is
17 claimed.

18 Prior to October 1, 2003, and on and after September 1,
19 2004 a retailer may accept a Manufacturer's Purchase Credit
20 certification from a purchaser in satisfaction of Use Tax as
21 provided in Section 3-85 of the Use Tax Act if the purchaser
22 provides the appropriate documentation as required by Section
23 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
24 certification, accepted by a retailer prior to October 1, 2003
25 and on and after September 1, 2004 as provided in Section 3-85
26 of the Use Tax Act, may be used by that retailer to satisfy

1 Retailers' Occupation Tax liability in the amount claimed in
2 the certification, not to exceed 6.25% of the receipts subject
3 to tax from a qualifying purchase. A Manufacturer's Purchase
4 Credit reported on any original or amended return filed under
5 this Act after October 20, 2003 for reporting periods prior to
6 September 1, 2004 shall be disallowed. Manufacturer's
7 Purchaser Credit reported on annual returns due on or after
8 January 1, 2005 will be disallowed for periods prior to
9 September 1, 2004. No Manufacturer's Purchase Credit may be
10 used after September 30, 2003 through August 31, 2004 to
11 satisfy any tax liability imposed under this Act, including any
12 audit liability.

13 The Department may require returns to be filed on a
14 quarterly basis. If so required, a return for each calendar
15 quarter shall be filed on or before the twentieth day of the
16 calendar month following the end of such calendar quarter. The
17 taxpayer shall also file a return with the Department for each
18 of the first two months of each calendar quarter, on or before
19 the twentieth day of the following calendar month, stating:

20 1. The name of the seller;

21 2. The address of the principal place of business from
22 which he engages in the business of selling tangible
23 personal property at retail in this State;

24 3. The total amount of taxable receipts received by him
25 during the preceding calendar month from sales of tangible
26 personal property by him during such preceding calendar

1 month, including receipts from charge and time sales, but
2 less all deductions allowed by law;

3 4. The amount of credit provided in Section 2d of this
4 Act;

5 5. The amount of tax due; and

6 6. Such other reasonable information as the Department
7 may require.

8 Beginning on October 1, 2003, any person who is not a
9 licensed distributor, importing distributor, or manufacturer,
10 as defined in the Liquor Control Act of 1934, but is engaged in
11 the business of selling, at retail, alcoholic liquor shall file
12 a statement with the Department of Revenue, in a format and at
13 a time prescribed by the Department, showing the total amount
14 paid for alcoholic liquor purchased during the preceding month
15 and such other information as is reasonably required by the
16 Department. The Department may adopt rules to require that this
17 statement be filed in an electronic or telephonic format. Such
18 rules may provide for exceptions from the filing requirements
19 of this paragraph. For the purposes of this paragraph, the term
20 "alcoholic liquor" shall have the meaning prescribed in the
21 Liquor Control Act of 1934.

22 Beginning on October 1, 2003, every distributor, importing
23 distributor, and manufacturer of alcoholic liquor as defined in
24 the Liquor Control Act of 1934, shall file a statement with the
25 Department of Revenue, no later than the 10th day of the month
26 for the preceding month during which transactions occurred, by

1 electronic means, showing the total amount of gross receipts
2 from the sale of alcoholic liquor sold or distributed during
3 the preceding month to purchasers; identifying the purchaser to
4 whom it was sold or distributed; the purchaser's tax
5 registration number; and such other information reasonably
6 required by the Department. A distributor, importing
7 distributor, or manufacturer of alcoholic liquor must
8 personally deliver, mail, or provide by electronic means to
9 each retailer listed on the monthly statement a report
10 containing a cumulative total of that distributor's, importing
11 distributor's, or manufacturer's total sales of alcoholic
12 liquor to that retailer no later than the 10th day of the month
13 for the preceding month during which the transaction occurred.
14 The distributor, importing distributor, or manufacturer shall
15 notify the retailer as to the method by which the distributor,
16 importing distributor, or manufacturer will provide the sales
17 information. If the retailer is unable to receive the sales
18 information by electronic means, the distributor, importing
19 distributor, or manufacturer shall furnish the sales
20 information by personal delivery or by mail. For purposes of
21 this paragraph, the term "electronic means" includes, but is
22 not limited to, the use of a secure Internet website, e-mail,
23 or facsimile.

24 If a total amount of less than \$1 is payable, refundable or
25 creditable, such amount shall be disregarded if it is less than
26 50 cents and shall be increased to \$1 if it is 50 cents or more.

1 Beginning October 1, 1993, a taxpayer who has an average
2 monthly tax liability of \$150,000 or more shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 1994, a taxpayer who has
5 an average monthly tax liability of \$100,000 or more shall make
6 all payments required by rules of the Department by electronic
7 funds transfer. Beginning October 1, 1995, a taxpayer who has
8 an average monthly tax liability of \$50,000 or more shall make
9 all payments required by rules of the Department by electronic
10 funds transfer. Beginning October 1, 2000, a taxpayer who has
11 an annual tax liability of \$200,000 or more shall make all
12 payments required by rules of the Department by electronic
13 funds transfer. The term "annual tax liability" shall be the
14 sum of the taxpayer's liabilities under this Act, and under all
15 other State and local occupation and use tax laws administered
16 by the Department, for the immediately preceding calendar year.
17 The term "average monthly tax liability" shall be the sum of
18 the taxpayer's liabilities under this Act, and under all other
19 State and local occupation and use tax laws administered by the
20 Department, for the immediately preceding calendar year
21 divided by 12. Beginning on October 1, 2002, a taxpayer who has
22 a tax liability in the amount set forth in subsection (b) of
23 Section 2505-210 of the Department of Revenue Law shall make
24 all payments required by rules of the Department by electronic
25 funds transfer.

26 Before August 1 of each year beginning in 1993, the

1 Department shall notify all taxpayers required to make payments
2 by electronic funds transfer. All taxpayers required to make
3 payments by electronic funds transfer shall make those payments
4 for a minimum of one year beginning on October 1.

5 Any taxpayer not required to make payments by electronic
6 funds transfer may make payments by electronic funds transfer
7 with the permission of the Department.

8 All taxpayers required to make payment by electronic funds
9 transfer and any taxpayers authorized to voluntarily make
10 payments by electronic funds transfer shall make those payments
11 in the manner authorized by the Department.

12 The Department shall adopt such rules as are necessary to
13 effectuate a program of electronic funds transfer and the
14 requirements of this Section.

15 Any amount which is required to be shown or reported on any
16 return or other document under this Act shall, if such amount
17 is not a whole-dollar amount, be increased to the nearest
18 whole-dollar amount in any case where the fractional part of a
19 dollar is 50 cents or more, and decreased to the nearest
20 whole-dollar amount where the fractional part of a dollar is
21 less than 50 cents.

22 If the retailer is otherwise required to file a monthly
23 return and if the retailer's average monthly tax liability to
24 the Department does not exceed \$200, the Department may
25 authorize his returns to be filed on a quarter annual basis,
26 with the return for January, February and March of a given year

1 being due by April 20 of such year; with the return for April,
2 May and June of a given year being due by July 20 of such year;
3 with the return for July, August and September of a given year
4 being due by October 20 of such year, and with the return for
5 October, November and December of a given year being due by
6 January 20 of the following year.

7 If the retailer is otherwise required to file a monthly or
8 quarterly return and if the retailer's average monthly tax
9 liability with the Department does not exceed \$50, the
10 Department may authorize his returns to be filed on an annual
11 basis, with the return for a given year being due by January 20
12 of the following year.

13 Such quarter annual and annual returns, as to form and
14 substance, shall be subject to the same requirements as monthly
15 returns.

16 Notwithstanding any other provision in this Act concerning
17 the time within which a retailer may file his return, in the
18 case of any retailer who ceases to engage in a kind of business
19 which makes him responsible for filing returns under this Act,
20 such retailer shall file a final return under this Act with the
21 Department not more than one month after discontinuing such
22 business.

23 Where the same person has more than one business registered
24 with the Department under separate registrations under this
25 Act, such person may not file each return that is due as a
26 single return covering all such registered businesses, but

1 shall file separate returns for each such registered business.

2 In addition, with respect to motor vehicles, watercraft,
3 aircraft, and trailers that are required to be registered with
4 an agency of this State, every retailer selling this kind of
5 tangible personal property shall file, with the Department,
6 upon a form to be prescribed and supplied by the Department, a
7 separate return for each such item of tangible personal
8 property which the retailer sells, except that if, in the same
9 transaction, (i) a retailer of aircraft, watercraft, motor
10 vehicles or trailers transfers more than one aircraft,
11 watercraft, motor vehicle or trailer to another aircraft,
12 watercraft, motor vehicle retailer or trailer retailer for the
13 purpose of resale or (ii) a retailer of aircraft, watercraft,
14 motor vehicles, or trailers transfers more than one aircraft,
15 watercraft, motor vehicle, or trailer to a purchaser for use as
16 a qualifying rolling stock as provided in Section 2-5 of this
17 Act, then that seller may report the transfer of all aircraft,
18 watercraft, motor vehicles or trailers involved in that
19 transaction to the Department on the same uniform
20 invoice-transaction reporting return form. For purposes of
21 this Section, "watercraft" means a Class 2, Class 3, or Class 4
22 watercraft as defined in Section 3-2 of the Boat Registration
23 and Safety Act, a personal watercraft, or any boat equipped
24 with an inboard motor.

25 Any retailer who sells only motor vehicles, watercraft,
26 aircraft, or trailers that are required to be registered with

1 an agency of this State, so that all retailers' occupation tax
2 liability is required to be reported, and is reported, on such
3 transaction reporting returns and who is not otherwise required
4 to file monthly or quarterly returns, need not file monthly or
5 quarterly returns. However, those retailers shall be required
6 to file returns on an annual basis.

7 The transaction reporting return, in the case of motor
8 vehicles or trailers that are required to be registered with an
9 agency of this State, shall be the same document as the Uniform
10 Invoice referred to in Section 5-402 of The Illinois Vehicle
11 Code and must show the name and address of the seller; the name
12 and address of the purchaser; the amount of the selling price
13 including the amount allowed by the retailer for traded-in
14 property, if any; the amount allowed by the retailer for the
15 traded-in tangible personal property, if any, to the extent to
16 which Section 1 of this Act allows an exemption for the value
17 of traded-in property; the balance payable after deducting such
18 trade-in allowance from the total selling price; the amount of
19 tax due from the retailer with respect to such transaction; the
20 amount of tax collected from the purchaser by the retailer on
21 such transaction (or satisfactory evidence that such tax is not
22 due in that particular instance, if that is claimed to be the
23 fact); the place and date of the sale; a sufficient
24 identification of the property sold; such other information as
25 is required in Section 5-402 of The Illinois Vehicle Code, and
26 such other information as the Department may reasonably

1 require.

2 The transaction reporting return in the case of watercraft
3 or aircraft must show the name and address of the seller; the
4 name and address of the purchaser; the amount of the selling
5 price including the amount allowed by the retailer for
6 traded-in property, if any; the amount allowed by the retailer
7 for the traded-in tangible personal property, if any, to the
8 extent to which Section 1 of this Act allows an exemption for
9 the value of traded-in property; the balance payable after
10 deducting such trade-in allowance from the total selling price;
11 the amount of tax due from the retailer with respect to such
12 transaction; the amount of tax collected from the purchaser by
13 the retailer on such transaction (or satisfactory evidence that
14 such tax is not due in that particular instance, if that is
15 claimed to be the fact); the place and date of the sale, a
16 sufficient identification of the property sold, and such other
17 information as the Department may reasonably require.

18 Such transaction reporting return shall be filed not later
19 than 20 days after the day of delivery of the item that is
20 being sold, but may be filed by the retailer at any time sooner
21 than that if he chooses to do so. The transaction reporting
22 return and tax remittance or proof of exemption from the
23 Illinois use tax may be transmitted to the Department by way of
24 the State agency with which, or State officer with whom the
25 tangible personal property must be titled or registered (if
26 titling or registration is required) if the Department and such

1 agency or State officer determine that this procedure will
2 expedite the processing of applications for title or
3 registration.

4 With each such transaction reporting return, the retailer
5 shall remit the proper amount of tax due (or shall submit
6 satisfactory evidence that the sale is not taxable if that is
7 the case), to the Department or its agents, whereupon the
8 Department shall issue, in the purchaser's name, a use tax
9 receipt (or a certificate of exemption if the Department is
10 satisfied that the particular sale is tax exempt) which such
11 purchaser may submit to the agency with which, or State officer
12 with whom, he must title or register the tangible personal
13 property that is involved (if titling or registration is
14 required) in support of such purchaser's application for an
15 Illinois certificate or other evidence of title or registration
16 to such tangible personal property.

17 No retailer's failure or refusal to remit tax under this
18 Act precludes a user, who has paid the proper tax to the
19 retailer, from obtaining his certificate of title or other
20 evidence of title or registration (if titling or registration
21 is required) upon satisfying the Department that such user has
22 paid the proper tax (if tax is due) to the retailer. The
23 Department shall adopt appropriate rules to carry out the
24 mandate of this paragraph.

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment of

1 the tax or proof of exemption made to the Department before the
2 retailer is willing to take these actions and such user has not
3 paid the tax to the retailer, such user may certify to the fact
4 of such delay by the retailer and may (upon the Department
5 being satisfied of the truth of such certification) transmit
6 the information required by the transaction reporting return
7 and the remittance for tax or proof of exemption directly to
8 the Department and obtain his tax receipt or exemption
9 determination, in which event the transaction reporting return
10 and tax remittance (if a tax payment was required) shall be
11 credited by the Department to the proper retailer's account
12 with the Department, but without the 2.1% or 1.75% discount
13 provided for in this Section being allowed. When the user pays
14 the tax directly to the Department, he shall pay the tax in the
15 same amount and in the same form in which it would be remitted
16 if the tax had been remitted to the Department by the retailer.

17 Refunds made by the seller during the preceding return
18 period to purchasers, on account of tangible personal property
19 returned to the seller, shall be allowed as a deduction under
20 subdivision 5 of his monthly or quarterly return, as the case
21 may be, in case the seller had theretofore included the
22 receipts from the sale of such tangible personal property in a
23 return filed by him and had paid the tax imposed by this Act
24 with respect to such receipts.

25 Where the seller is a corporation, the return filed on
26 behalf of such corporation shall be signed by the president,

1 vice-president, secretary or treasurer or by the properly
2 accredited agent of such corporation.

3 Where the seller is a limited liability company, the return
4 filed on behalf of the limited liability company shall be
5 signed by a manager, member, or properly accredited agent of
6 the limited liability company.

7 Except as provided in this Section, the retailer filing the
8 return under this Section shall, at the time of filing such
9 return, pay to the Department the amount of tax imposed by this
10 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
11 on and after January 1, 1990, or \$5 per calendar year,
12 whichever is greater, which is allowed to reimburse the
13 retailer for the expenses incurred in keeping records,
14 preparing and filing returns, remitting the tax and supplying
15 data to the Department on request. Any prepayment made pursuant
16 to Section 2d of this Act shall be included in the amount on
17 which such 2.1% or 1.75% discount is computed. In the case of
18 retailers who report and pay the tax on a transaction by
19 transaction basis, as provided in this Section, such discount
20 shall be taken with each such tax remittance instead of when
21 such retailer files his periodic return.

22 Before October 1, 2000, if the taxpayer's average monthly
23 tax liability to the Department under this Act, the Use Tax
24 Act, the Service Occupation Tax Act, and the Service Use Tax
25 Act, excluding any liability for prepaid sales tax to be
26 remitted in accordance with Section 2d of this Act, was \$10,000

1 or more during the preceding 4 complete calendar quarters, he
2 shall file a return with the Department each month by the 20th
3 day of the month next following the month during which such tax
4 liability is incurred and shall make payments to the Department
5 on or before the 7th, 15th, 22nd and last day of the month
6 during which such liability is incurred. On and after October
7 1, 2000, if the taxpayer's average monthly tax liability to the
8 Department under this Act, the Use Tax Act, the Service
9 Occupation Tax Act, and the Service Use Tax Act, excluding any
10 liability for prepaid sales tax to be remitted in accordance
11 with Section 2d of this Act, was \$20,000 or more during the
12 preceding 4 complete calendar quarters, he shall file a return
13 with the Department each month by the 20th day of the month
14 next following the month during which such tax liability is
15 incurred and shall make payment to the Department on or before
16 the 7th, 15th, 22nd and last day of the month during which such
17 liability is incurred. If the month during which such tax
18 liability is incurred began prior to January 1, 1985, each
19 payment shall be in an amount equal to 1/4 of the taxpayer's
20 actual liability for the month or an amount set by the
21 Department not to exceed 1/4 of the average monthly liability
22 of the taxpayer to the Department for the preceding 4 complete
23 calendar quarters (excluding the month of highest liability and
24 the month of lowest liability in such 4 quarter period). If the
25 month during which such tax liability is incurred begins on or
26 after January 1, 1985 and prior to January 1, 1987, each

1 payment shall be in an amount equal to 22.5% of the taxpayer's
2 actual liability for the month or 27.5% of the taxpayer's
3 liability for the same calendar month of the preceding year. If
4 the month during which such tax liability is incurred begins on
5 or after January 1, 1987 and prior to January 1, 1988, each
6 payment shall be in an amount equal to 22.5% of the taxpayer's
7 actual liability for the month or 26.25% of the taxpayer's
8 liability for the same calendar month of the preceding year. If
9 the month during which such tax liability is incurred begins on
10 or after January 1, 1988, and prior to January 1, 1989, or
11 begins on or after January 1, 1996, each payment shall be in an
12 amount equal to 22.5% of the taxpayer's actual liability for
13 the month or 25% of the taxpayer's liability for the same
14 calendar month of the preceding year. If the month during which
15 such tax liability is incurred begins on or after January 1,
16 1989, and prior to January 1, 1996, each payment shall be in an
17 amount equal to 22.5% of the taxpayer's actual liability for
18 the month or 25% of the taxpayer's liability for the same
19 calendar month of the preceding year or 100% of the taxpayer's
20 actual liability for the quarter monthly reporting period. The
21 amount of such quarter monthly payments shall be credited
22 against the final tax liability of the taxpayer's return for
23 that month. Before October 1, 2000, once applicable, the
24 requirement of the making of quarter monthly payments to the
25 Department by taxpayers having an average monthly tax liability
26 of \$10,000 or more as determined in the manner provided above

1 shall continue until such taxpayer's average monthly liability
2 to the Department during the preceding 4 complete calendar
3 quarters (excluding the month of highest liability and the
4 month of lowest liability) is less than \$9,000, or until such
5 taxpayer's average monthly liability to the Department as
6 computed for each calendar quarter of the 4 preceding complete
7 calendar quarter period is less than \$10,000. However, if a
8 taxpayer can show the Department that a substantial change in
9 the taxpayer's business has occurred which causes the taxpayer
10 to anticipate that his average monthly tax liability for the
11 reasonably foreseeable future will fall below the \$10,000
12 threshold stated above, then such taxpayer may petition the
13 Department for a change in such taxpayer's reporting status. On
14 and after October 1, 2000, once applicable, the requirement of
15 the making of quarter monthly payments to the Department by
16 taxpayers having an average monthly tax liability of \$20,000 or
17 more as determined in the manner provided above shall continue
18 until such taxpayer's average monthly liability to the
19 Department during the preceding 4 complete calendar quarters
20 (excluding the month of highest liability and the month of
21 lowest liability) is less than \$19,000 or until such taxpayer's
22 average monthly liability to the Department as computed for
23 each calendar quarter of the 4 preceding complete calendar
24 quarter period is less than \$20,000. However, if a taxpayer can
25 show the Department that a substantial change in the taxpayer's
26 business has occurred which causes the taxpayer to anticipate

1 that his average monthly tax liability for the reasonably
2 foreseeable future will fall below the \$20,000 threshold stated
3 above, then such taxpayer may petition the Department for a
4 change in such taxpayer's reporting status. The Department
5 shall change such taxpayer's reporting status unless it finds
6 that such change is seasonal in nature and not likely to be
7 long term. If any such quarter monthly payment is not paid at
8 the time or in the amount required by this Section, then the
9 taxpayer shall be liable for penalties and interest on the
10 difference between the minimum amount due as a payment and the
11 amount of such quarter monthly payment actually and timely
12 paid, except insofar as the taxpayer has previously made
13 payments for that month to the Department in excess of the
14 minimum payments previously due as provided in this Section.
15 The Department shall make reasonable rules and regulations to
16 govern the quarter monthly payment amount and quarter monthly
17 payment dates for taxpayers who file on other than a calendar
18 monthly basis.

19 The provisions of this paragraph apply before October 1,
20 2001. Without regard to whether a taxpayer is required to make
21 quarter monthly payments as specified above, any taxpayer who
22 is required by Section 2d of this Act to collect and remit
23 prepaid taxes and has collected prepaid taxes which average in
24 excess of \$25,000 per month during the preceding 2 complete
25 calendar quarters, shall file a return with the Department as
26 required by Section 2f and shall make payments to the

1 Department on or before the 7th, 15th, 22nd and last day of the
2 month during which such liability is incurred. If the month
3 during which such tax liability is incurred began prior to the
4 effective date of this amendatory Act of 1985, each payment
5 shall be in an amount not less than 22.5% of the taxpayer's
6 actual liability under Section 2d. If the month during which
7 such tax liability is incurred begins on or after January 1,
8 1986, each payment shall be in an amount equal to 22.5% of the
9 taxpayer's actual liability for the month or 27.5% of the
10 taxpayer's liability for the same calendar month of the
11 preceding calendar year. If the month during which such tax
12 liability is incurred begins on or after January 1, 1987, each
13 payment shall be in an amount equal to 22.5% of the taxpayer's
14 actual liability for the month or 26.25% of the taxpayer's
15 liability for the same calendar month of the preceding year.
16 The amount of such quarter monthly payments shall be credited
17 against the final tax liability of the taxpayer's return for
18 that month filed under this Section or Section 2f, as the case
19 may be. Once applicable, the requirement of the making of
20 quarter monthly payments to the Department pursuant to this
21 paragraph shall continue until such taxpayer's average monthly
22 prepaid tax collections during the preceding 2 complete
23 calendar quarters is \$25,000 or less. If any such quarter
24 monthly payment is not paid at the time or in the amount
25 required, the taxpayer shall be liable for penalties and
26 interest on such difference, except insofar as the taxpayer has

1 previously made payments for that month in excess of the
2 minimum payments previously due.

3 The provisions of this paragraph apply on and after October
4 1, 2001. Without regard to whether a taxpayer is required to
5 make quarter monthly payments as specified above, any taxpayer
6 who is required by Section 2d of this Act to collect and remit
7 prepaid taxes and has collected prepaid taxes that average in
8 excess of \$20,000 per month during the preceding 4 complete
9 calendar quarters shall file a return with the Department as
10 required by Section 2f and shall make payments to the
11 Department on or before the 7th, 15th, 22nd and last day of the
12 month during which the liability is incurred. Each payment
13 shall be in an amount equal to 22.5% of the taxpayer's actual
14 liability for the month or 25% of the taxpayer's liability for
15 the same calendar month of the preceding year. The amount of
16 the quarter monthly payments shall be credited against the
17 final tax liability of the taxpayer's return for that month
18 filed under this Section or Section 2f, as the case may be.
19 Once applicable, the requirement of the making of quarter
20 monthly payments to the Department pursuant to this paragraph
21 shall continue until the taxpayer's average monthly prepaid tax
22 collections during the preceding 4 complete calendar quarters
23 (excluding the month of highest liability and the month of
24 lowest liability) is less than \$19,000 or until such taxpayer's
25 average monthly liability to the Department as computed for
26 each calendar quarter of the 4 preceding complete calendar

1 quarters is less than \$20,000. If any such quarter monthly
2 payment is not paid at the time or in the amount required, the
3 taxpayer shall be liable for penalties and interest on such
4 difference, except insofar as the taxpayer has previously made
5 payments for that month in excess of the minimum payments
6 previously due.

7 If any payment provided for in this Section exceeds the
8 taxpayer's liabilities under this Act, the Use Tax Act, the
9 Service Occupation Tax Act and the Service Use Tax Act, as
10 shown on an original monthly return, the Department shall, if
11 requested by the taxpayer, issue to the taxpayer a credit
12 memorandum no later than 30 days after the date of payment. The
13 credit evidenced by such credit memorandum may be assigned by
14 the taxpayer to a similar taxpayer under this Act, the Use Tax
15 Act, the Service Occupation Tax Act or the Service Use Tax Act,
16 in accordance with reasonable rules and regulations to be
17 prescribed by the Department. If no such request is made, the
18 taxpayer may credit such excess payment against tax liability
19 subsequently to be remitted to the Department under this Act,
20 the Use Tax Act, the Service Occupation Tax Act or the Service
21 Use Tax Act, in accordance with reasonable rules and
22 regulations prescribed by the Department. If the Department
23 subsequently determined that all or any part of the credit
24 taken was not actually due to the taxpayer, the taxpayer's 2.1%
25 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
26 of the difference between the credit taken and that actually

1 due, and that taxpayer shall be liable for penalties and
2 interest on such difference.

3 If a retailer of motor fuel is entitled to a credit under
4 Section 2d of this Act which exceeds the taxpayer's liability
5 to the Department under this Act for the month which the
6 taxpayer is filing a return, the Department shall issue the
7 taxpayer a credit memorandum for the excess.

8 Beginning January 1, 1990, each month the Department shall
9 pay into the Local Government Tax Fund, a special fund in the
10 State treasury which is hereby created, the net revenue
11 realized for the preceding month from the 1% tax on sales of
12 food for human consumption which is to be consumed off the
13 premises where it is sold (other than alcoholic beverages, soft
14 drinks and food which has been prepared for immediate
15 consumption) and prescription and nonprescription medicines,
16 drugs, medical appliances and insulin, urine testing
17 materials, syringes and needles used by diabetics.

18 Beginning January 1, 1990, each month the Department shall
19 pay into the County and Mass Transit District Fund, a special
20 fund in the State treasury which is hereby created, 4% of the
21 net revenue realized for the preceding month from the 6.25%
22 general rate.

23 Beginning August 1, 2000, each month the Department shall
24 pay into the County and Mass Transit District Fund 20% of the
25 net revenue realized for the preceding month from the 1.25%
26 rate on the selling price of motor fuel and gasohol.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the Local Government Tax Fund 16% of the net revenue
3 realized for the preceding month from the 6.25% general rate on
4 the selling price of tangible personal property.

5 Beginning August 1, 2000, each month the Department shall
6 pay into the Local Government Tax Fund 80% of the net revenue
7 realized for the preceding month from the 1.25% rate on the
8 selling price of motor fuel and gasohol.

9 Of the remainder of the moneys received by the Department
10 pursuant to this Act, (a) 1.75% thereof shall be paid into the
11 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
12 and after July 1, 1989, 3.8% thereof shall be paid into the
13 Build Illinois Fund; provided, however, that if in any fiscal
14 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
15 may be, of the moneys received by the Department and required
16 to be paid into the Build Illinois Fund pursuant to this Act,
17 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
18 Act, and Section 9 of the Service Occupation Tax Act, such Acts
19 being hereinafter called the "Tax Acts" and such aggregate of
20 2.2% or 3.8%, as the case may be, of moneys being hereinafter
21 called the "Tax Act Amount", and (2) the amount transferred to
22 the Build Illinois Fund from the State and Local Sales Tax
23 Reform Fund shall be less than the Annual Specified Amount (as
24 hereinafter defined), an amount equal to the difference shall
25 be immediately paid into the Build Illinois Fund from other
26 moneys received by the Department pursuant to the Tax Acts; the

1 "Annual Specified Amount" means the amounts specified below for
2 fiscal years 1986 through 1993:

3	Fiscal Year	Annual Specified Amount
4	1986	\$54,800,000
5	1987	\$76,650,000
6	1988	\$80,480,000
7	1989	\$88,510,000
8	1990	\$115,330,000
9	1991	\$145,470,000
10	1992	\$182,730,000
11	1993	\$206,520,000;

12 and means the Certified Annual Debt Service Requirement (as
13 defined in Section 13 of the Build Illinois Bond Act) or the
14 Tax Act Amount, whichever is greater, for fiscal year 1994 and
15 each fiscal year thereafter; and further provided, that if on
16 the last business day of any month the sum of (1) the Tax Act
17 Amount required to be deposited into the Build Illinois Bond
18 Account in the Build Illinois Fund during such month and (2)
19 the amount transferred to the Build Illinois Fund from the
20 State and Local Sales Tax Reform Fund shall have been less than
21 1/12 of the Annual Specified Amount, an amount equal to the
22 difference shall be immediately paid into the Build Illinois
23 Fund from other moneys received by the Department pursuant to
24 the Tax Acts; and, further provided, that in no event shall the
25 payments required under the preceding proviso result in
26 aggregate payments into the Build Illinois Fund pursuant to

1 this clause (b) for any fiscal year in excess of the greater of
2 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
3 such fiscal year. The amounts payable into the Build Illinois
4 Fund under clause (b) of the first sentence in this paragraph
5 shall be payable only until such time as the aggregate amount
6 on deposit under each trust indenture securing Bonds issued and
7 outstanding pursuant to the Build Illinois Bond Act is
8 sufficient, taking into account any future investment income,
9 to fully provide, in accordance with such indenture, for the
10 defeasance of or the payment of the principal of, premium, if
11 any, and interest on the Bonds secured by such indenture and on
12 any Bonds expected to be issued thereafter and all fees and
13 costs payable with respect thereto, all as certified by the
14 Director of the Bureau of the Budget (now Governor's Office of
15 Management and Budget). If on the last business day of any
16 month in which Bonds are outstanding pursuant to the Build
17 Illinois Bond Act, the aggregate of moneys deposited in the
18 Build Illinois Bond Account in the Build Illinois Fund in such
19 month shall be less than the amount required to be transferred
20 in such month from the Build Illinois Bond Account to the Build
21 Illinois Bond Retirement and Interest Fund pursuant to Section
22 13 of the Build Illinois Bond Act, an amount equal to such
23 deficiency shall be immediately paid from other moneys received
24 by the Department pursuant to the Tax Acts to the Build
25 Illinois Fund; provided, however, that any amounts paid to the
26 Build Illinois Fund in any fiscal year pursuant to this

1 sentence shall be deemed to constitute payments pursuant to
 2 clause (b) of the first sentence of this paragraph and shall
 3 reduce the amount otherwise payable for such fiscal year
 4 pursuant to that clause (b). The moneys received by the
 5 Department pursuant to this Act and required to be deposited
 6 into the Build Illinois Fund are subject to the pledge, claim
 7 and charge set forth in Section 12 of the Build Illinois Bond
 8 Act.

9 Subject to payment of amounts into the Build Illinois Fund
 10 as provided in the preceding paragraph or in any amendment
 11 thereto hereafter enacted, the following specified monthly
 12 installment of the amount requested in the certificate of the
 13 Chairman of the Metropolitan Pier and Exposition Authority
 14 provided under Section 8.25f of the State Finance Act, but not
 15 in excess of sums designated as "Total Deposit", shall be
 16 deposited in the aggregate from collections under Section 9 of
 17 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 18 9 of the Service Occupation Tax Act, and Section 3 of the
 19 Retailers' Occupation Tax Act into the McCormick Place
 20 Expansion Project Fund in the specified fiscal years.

21	Fiscal Year	Total Deposit
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	246,000,000
26	2022	260,000,000

1 2023 and 275,000,000
2 each fiscal year
3 thereafter that bonds
4 are outstanding under
5 Section 13.2 of the
6 Metropolitan Pier and
7 Exposition Authority Act,
8 but not after fiscal year 2042.

9 Beginning July 20, 1993 and in each month of each fiscal
10 year thereafter, one-eighth of the amount requested in the
11 certificate of the Chairman of the Metropolitan Pier and
12 Exposition Authority for that fiscal year, less the amount
13 deposited into the McCormick Place Expansion Project Fund by
14 the State Treasurer in the respective month under subsection
15 (g) of Section 13 of the Metropolitan Pier and Exposition
16 Authority Act, plus cumulative deficiencies in the deposits
17 required under this Section for previous months and years,
18 shall be deposited into the McCormick Place Expansion Project
19 Fund, until the full amount requested for the fiscal year, but
20 not in excess of the amount specified above as "Total Deposit",
21 has been deposited.

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning July 1, 1993, the Department shall each
26 month pay into the Illinois Tax Increment Fund 0.27% of 80% of

1 the net revenue realized for the preceding month from the 6.25%
2 general rate on the selling price of tangible personal
3 property.

4 Subject to payment of amounts into the Build Illinois Fund
5 and the McCormick Place Expansion Project Fund pursuant to the
6 preceding paragraphs or in any amendments thereto hereafter
7 enacted, beginning with the receipt of the first report of
8 taxes paid by an eligible business and continuing for a 25-year
9 period, the Department shall each month pay into the Energy
10 Infrastructure Fund 80% of the net revenue realized from the
11 6.25% general rate on the selling price of Illinois-mined coal
12 that was sold to an eligible business. For purposes of this
13 paragraph, the term "eligible business" means a new electric
14 generating facility certified pursuant to Section 605-332 of
15 the Department of Commerce and Economic Opportunity Law of the
16 Civil Administrative Code of Illinois.

17 Of the remainder of the moneys received by the Department
18 pursuant to this Act, 25% of the moneys from the tax on motor
19 fuel, as estimated by the Department, shall be reserved in a
20 special account and used only for the transfer to the Common
21 School Fund as part of the monthly transfer from the General
22 Revenue Fund in accordance with Section 8a of the State Finance
23 Act and 75% of the moneys from the tax on motor fuel, as
24 estimated by the Department, shall, beginning on July 1, 2008,
25 be paid into (i) the Illinois Works Debt Service Fund until
26 \$100,000,000 is paid into the Illinois Works Debt Service Fund

1 during the State fiscal year and (ii) the General Revenue Fund
2 thereafter.

3 Of the remainder of the moneys received by the Department
4 pursuant to this Act, 75% thereof shall be paid into the State
5 Treasury and 25% shall be reserved in a special account and
6 used only for the transfer to the Common School Fund as part of
7 the monthly transfer from the General Revenue Fund in
8 accordance with Section 8a of the State Finance Act.

9 The Department may, upon separate written notice to a
10 taxpayer, require the taxpayer to prepare and file with the
11 Department on a form prescribed by the Department within not
12 less than 60 days after receipt of the notice an annual
13 information return for the tax year specified in the notice.
14 Such annual return to the Department shall include a statement
15 of gross receipts as shown by the retailer's last Federal
16 income tax return. If the total receipts of the business as
17 reported in the Federal income tax return do not agree with the
18 gross receipts reported to the Department of Revenue for the
19 same period, the retailer shall attach to his annual return a
20 schedule showing a reconciliation of the 2 amounts and the
21 reasons for the difference. The retailer's annual return to the
22 Department shall also disclose the cost of goods sold by the
23 retailer during the year covered by such return, opening and
24 closing inventories of such goods for such year, costs of goods
25 used from stock or taken from stock and given away by the
26 retailer during such year, payroll information of the

1 retailer's business during such year and any additional
2 reasonable information which the Department deems would be
3 helpful in determining the accuracy of the monthly, quarterly
4 or annual returns filed by such retailer as provided for in
5 this Section.

6 If the annual information return required by this Section
7 is not filed when and as required, the taxpayer shall be liable
8 as follows:

9 (i) Until January 1, 1994, the taxpayer shall be liable
10 for a penalty equal to 1/6 of 1% of the tax due from such
11 taxpayer under this Act during the period to be covered by
12 the annual return for each month or fraction of a month
13 until such return is filed as required, the penalty to be
14 assessed and collected in the same manner as any other
15 penalty provided for in this Act.

16 (ii) On and after January 1, 1994, the taxpayer shall
17 be liable for a penalty as described in Section 3-4 of the
18 Uniform Penalty and Interest Act.

19 The chief executive officer, proprietor, owner or highest
20 ranking manager shall sign the annual return to certify the
21 accuracy of the information contained therein. Any person who
22 willfully signs the annual return containing false or
23 inaccurate information shall be guilty of perjury and punished
24 accordingly. The annual return form prescribed by the
25 Department shall include a warning that the person signing the
26 return may be liable for perjury.

1 The provisions of this Section concerning the filing of an
2 annual information return do not apply to a retailer who is not
3 required to file an income tax return with the United States
4 Government.

5 As soon as possible after the first day of each month, upon
6 certification of the Department of Revenue, the Comptroller
7 shall order transferred and the Treasurer shall transfer from
8 the General Revenue Fund to the Motor Fuel Tax Fund an amount
9 equal to 1.7% of 80% of the net revenue realized under this Act
10 for the second preceding month. Beginning April 1, 2000, this
11 transfer is no longer required and shall not be made.

12 Net revenue realized for a month shall be the revenue
13 collected by the State pursuant to this Act, less the amount
14 paid out during that month as refunds to taxpayers for
15 overpayment of liability.

16 For greater simplicity of administration, manufacturers,
17 importers and wholesalers whose products are sold at retail in
18 Illinois by numerous retailers, and who wish to do so, may
19 assume the responsibility for accounting and paying to the
20 Department all tax accruing under this Act with respect to such
21 sales, if the retailers who are affected do not make written
22 objection to the Department to this arrangement.

23 Any person who promotes, organizes, provides retail
24 selling space for concessionaires or other types of sellers at
25 the Illinois State Fair, DuQuoin State Fair, county fairs,
26 local fairs, art shows, flea markets and similar exhibitions or

1 events, including any transient merchant as defined by Section
2 of the Transient Merchant Act of 1987, is required to file a
3 report with the Department providing the name of the merchant's
4 business, the name of the person or persons engaged in
5 merchant's business, the permanent address and Illinois
6 Retailers Occupation Tax Registration Number of the merchant,
7 the dates and location of the event and other reasonable
8 information that the Department may require. The report must be
9 filed not later than the 20th day of the month next following
10 the month during which the event with retail sales was held.
11 Any person who fails to file a report required by this Section
12 commits a business offense and is subject to a fine not to
13 exceed \$250.

14 Any person engaged in the business of selling tangible
15 personal property at retail as a concessionaire or other type
16 of seller at the Illinois State Fair, county fairs, art shows,
17 flea markets and similar exhibitions or events, or any
18 transient merchants, as defined by Section 2 of the Transient
19 Merchant Act of 1987, may be required to make a daily report of
20 the amount of such sales to the Department and to make a daily
21 payment of the full amount of tax due. The Department shall
22 impose this requirement when it finds that there is a
23 significant risk of loss of revenue to the State at such an
24 exhibition or event. Such a finding shall be based on evidence
25 that a substantial number of concessionaires or other sellers
26 who are not residents of Illinois will be engaging in the

1 business of selling tangible personal property at retail at the
2 exhibition or event, or other evidence of a significant risk of
3 loss of revenue to the State. The Department shall notify
4 concessionaires and other sellers affected by the imposition of
5 this requirement. In the absence of notification by the
6 Department, the concessionaires and other sellers shall file
7 their returns as otherwise required in this Section.

8 (Source: P.A. 94-1074, eff. 12-26-06; 95-331, eff. 8-21-07.)

9 Section 90-22. The Illinois Pension Code is amended by
10 changing Sections 14-110, 14-111, 14-152.1, 18-127, and 18-169
11 as follows:

12 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

13 Sec. 14-110. Alternative retirement annuity.

14 (a) Any member who has withdrawn from service with not less
15 than 20 years of eligible creditable service and has attained
16 age 55, and any member who has withdrawn from service with not
17 less than 25 years of eligible creditable service and has
18 attained age 50, regardless of whether the attainment of either
19 of the specified ages occurs while the member is still in
20 service, shall be entitled to receive at the option of the
21 member, in lieu of the regular or minimum retirement annuity, a
22 retirement annuity computed as follows:

23 (i) for periods of service as a noncovered employee: if
24 retirement occurs on or after January 1, 2001, 3% of final

1 average compensation for each year of creditable service;
2 if retirement occurs before January 1, 2001, 2 1/4% of
3 final average compensation for each of the first 10 years
4 of creditable service, 2 1/2% for each year above 10 years
5 to and including 20 years of creditable service, and 2 3/4%
6 for each year of creditable service above 20 years; and

7 (ii) for periods of eligible creditable service as a
8 covered employee: if retirement occurs on or after January
9 1, 2001, 2.5% of final average compensation for each year
10 of creditable service; if retirement occurs before January
11 1, 2001, 1.67% of final average compensation for each of
12 the first 10 years of such service, 1.90% for each of the
13 next 10 years of such service, 2.10% for each year of such
14 service in excess of 20 but not exceeding 30, and 2.30% for
15 each year in excess of 30.

16 Such annuity shall be subject to a maximum of 75% of final
17 average compensation if retirement occurs before January 1,
18 2001 or to a maximum of 80% of final average compensation if
19 retirement occurs on or after January 1, 2001.

20 These rates shall not be applicable to any service
21 performed by a member as a covered employee which is not
22 eligible creditable service. Service as a covered employee
23 which is not eligible creditable service shall be subject to
24 the rates and provisions of Section 14-108.

25 (b) For the purpose of this Section, "eligible creditable
26 service" means creditable service resulting from service in one

1 or more of the following positions:

2 (1) State policeman;

3 (2) fire fighter in the fire protection service of a
4 department;

5 (3) air pilot;

6 (4) special agent;

7 (5) investigator for the Secretary of State;

8 (6) conservation police officer;

9 (7) investigator for the Department of Revenue;

10 (7.5) investigator for the Office of Gaming
11 Enforcement;

12 (8) security employee of the Department of Human
13 Services;

14 (9) Central Management Services security police
15 officer;

16 (10) security employee of the Department of
17 Corrections or the Department of Juvenile Justice;

18 (11) dangerous drugs investigator;

19 (12) investigator for the Department of State Police;

20 (13) investigator for the Office of the Attorney
21 General;

22 (14) controlled substance inspector;

23 (15) investigator for the Office of the State's
24 Attorneys Appellate Prosecutor;

25 (16) Commerce Commission police officer;

26 (17) arson investigator;

1 (18) State highway maintenance worker.

2 A person employed in one of the positions specified in this
3 subsection is entitled to eligible creditable service for
4 service credit earned under this Article while undergoing the
5 basic police training course approved by the Illinois Law
6 Enforcement Training Standards Board, if completion of that
7 training is required of persons serving in that position. For
8 the purposes of this Code, service during the required basic
9 police training course shall be deemed performance of the
10 duties of the specified position, even though the person is not
11 a sworn peace officer at the time of the training.

12 (c) For the purposes of this Section:

13 (1) The term "state policeman" includes any title or
14 position in the Department of State Police that is held by
15 an individual employed under the State Police Act.

16 (2) The term "fire fighter in the fire protection
17 service of a department" includes all officers in such fire
18 protection service including fire chiefs and assistant
19 fire chiefs.

20 (3) The term "air pilot" includes any employee whose
21 official job description on file in the Department of
22 Central Management Services, or in the department by which
23 he is employed if that department is not covered by the
24 Personnel Code, states that his principal duty is the
25 operation of aircraft, and who possesses a pilot's license;
26 however, the change in this definition made by this

1 amendatory Act of 1983 shall not operate to exclude any
2 noncovered employee who was an "air pilot" for the purposes
3 of this Section on January 1, 1984.

4 (4) The term "special agent" means any person who by
5 reason of employment by the Division of Narcotic Control,
6 the Bureau of Investigation or, after July 1, 1977, the
7 Division of Criminal Investigation, the Division of
8 Internal Investigation, the Division of Operations, or any
9 other Division or organizational entity in the Department
10 of State Police is vested by law with duties to maintain
11 public order, investigate violations of the criminal law of
12 this State, enforce the laws of this State, make arrests
13 and recover property. The term "special agent" includes any
14 title or position in the Department of State Police that is
15 held by an individual employed under the State Police Act.

16 (5) The term "investigator for the Secretary of State"
17 means any person employed by the Office of the Secretary of
18 State and vested with such investigative duties as render
19 him ineligible for coverage under the Social Security Act
20 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
21 218(1)(1) of that Act.

22 A person who became employed as an investigator for the
23 Secretary of State between January 1, 1967 and December 31,
24 1975, and who has served as such until attainment of age
25 60, either continuously or with a single break in service
26 of not more than 3 years duration, which break terminated

1 before January 1, 1976, shall be entitled to have his
2 retirement annuity calculated in accordance with
3 subsection (a), notwithstanding that he has less than 20
4 years of credit for such service.

5 (6) The term "Conservation Police Officer" means any
6 person employed by the Division of Law Enforcement of the
7 Department of Natural Resources and vested with such law
8 enforcement duties as render him ineligible for coverage
9 under the Social Security Act by reason of Sections
10 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
11 term "Conservation Police Officer" includes the positions
12 of Chief Conservation Police Administrator and Assistant
13 Conservation Police Administrator.

14 (7) The term "investigator for the Department of
15 Revenue" means any person employed by the Department of
16 Revenue and vested with such investigative duties as render
17 him ineligible for coverage under the Social Security Act
18 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
19 218(1)(1) of that Act.

20 (7.5) The term "investigator for the Office of Gaming
21 Enforcement" means any person employed as such by the
22 Office of Gaming Enforcement and vested with such peace
23 officer duties as render the person ineligible for coverage
24 under the Social Security Act by reason of Sections
25 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act, but
26 only to the extent that a member received creditable

1 service under this Section prior to such employment.

2 (8) The term "security employee of the Department of
3 Human Services" means any person employed by the Department
4 of Human Services who (i) is employed at the Chester Mental
5 Health Center and has daily contact with the residents
6 thereof, (ii) is employed within a security unit at a
7 facility operated by the Department and has daily contact
8 with the residents of the security unit, (iii) is employed
9 at a facility operated by the Department that includes a
10 security unit and is regularly scheduled to work at least
11 50% of his or her working hours within that security unit,
12 or (iv) is a mental health police officer. "Mental health
13 police officer" means any person employed by the Department
14 of Human Services in a position pertaining to the
15 Department's mental health and developmental disabilities
16 functions who is vested with such law enforcement duties as
17 render the person ineligible for coverage under the Social
18 Security Act by reason of Sections 218(d)(5)(A),
19 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
20 means that portion of a facility that is devoted to the
21 care, containment, and treatment of persons committed to
22 the Department of Human Services as sexually violent
23 persons, persons unfit to stand trial, or persons not
24 guilty by reason of insanity. With respect to past
25 employment, references to the Department of Human Services
26 include its predecessor, the Department of Mental Health

1 and Developmental Disabilities.

2 The changes made to this subdivision (c)(8) by Public
3 Act 92-14 apply to persons who retire on or after January
4 1, 2001, notwithstanding Section 1-103.1.

5 (9) "Central Management Services security police
6 officer" means any person employed by the Department of
7 Central Management Services who is vested with such law
8 enforcement duties as render him ineligible for coverage
9 under the Social Security Act by reason of Sections
10 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

11 (10) For a member who first became an employee under
12 this Article before July 1, 2005, the term "security
13 employee of the Department of Corrections or the Department
14 of Juvenile Justice" means any employee of the Department
15 of Corrections or the Department of Juvenile Justice or the
16 former Department of Personnel, and any member or employee
17 of the Prisoner Review Board, who has daily contact with
18 inmates or youth by working within a correctional facility
19 or Juvenile facility operated by the Department of Juvenile
20 Justice or who is a parole officer or an employee who has
21 direct contact with committed persons in the performance of
22 his or her job duties. For a member who first becomes an
23 employee under this Article on or after July 1, 2005, the
24 term means an employee of the Department of Corrections or
25 the Department of Juvenile Justice who is any of the
26 following: (i) officially headquartered at a correctional

1 facility or Juvenile facility operated by the Department of
2 Juvenile Justice, (ii) a parole officer, (iii) a member of
3 the apprehension unit, (iv) a member of the intelligence
4 unit, (v) a member of the sort team, or (vi) an
5 investigator.

6 (11) The term "dangerous drugs investigator" means any
7 person who is employed as such by the Department of Human
8 Services.

9 (12) The term "investigator for the Department of State
10 Police" means a person employed by the Department of State
11 Police who is vested under Section 4 of the Narcotic
12 Control Division Abolition Act with such law enforcement
13 powers as render him ineligible for coverage under the
14 Social Security Act by reason of Sections 218(d)(5)(A),
15 218(d)(8)(D) and 218(1)(1) of that Act.

16 (13) "Investigator for the Office of the Attorney
17 General" means any person who is employed as such by the
18 Office of the Attorney General and is vested with such
19 investigative duties as render him ineligible for coverage
20 under the Social Security Act by reason of Sections
21 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
22 the period before January 1, 1989, the term includes all
23 persons who were employed as investigators by the Office of
24 the Attorney General, without regard to social security
25 status.

26 (14) "Controlled substance inspector" means any person

1 who is employed as such by the Department of Professional
2 Regulation and is vested with such law enforcement duties
3 as render him ineligible for coverage under the Social
4 Security Act by reason of Sections 218(d)(5)(A),
5 218(d)(8)(D) and 218(1)(1) of that Act. The term
6 "controlled substance inspector" includes the Program
7 Executive of Enforcement and the Assistant Program
8 Executive of Enforcement.

9 (15) The term "investigator for the Office of the
10 State's Attorneys Appellate Prosecutor" means a person
11 employed in that capacity on a full time basis under the
12 authority of Section 7.06 of the State's Attorneys
13 Appellate Prosecutor's Act.

14 (16) "Commerce Commission police officer" means any
15 person employed by the Illinois Commerce Commission who is
16 vested with such law enforcement duties as render him
17 ineligible for coverage under the Social Security Act by
18 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
19 218(1)(1) of that Act.

20 (17) "Arson investigator" means any person who is
21 employed as such by the Office of the State Fire Marshal
22 and is vested with such law enforcement duties as render
23 the person ineligible for coverage under the Social
24 Security Act by reason of Sections 218(d)(5)(A),
25 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
26 employed as an arson investigator on January 1, 1995 and is

1 no longer in service but not yet receiving a retirement
2 annuity may convert his or her creditable service for
3 employment as an arson investigator into eligible
4 creditable service by paying to the System the difference
5 between the employee contributions actually paid for that
6 service and the amounts that would have been contributed if
7 the applicant were contributing at the rate applicable to
8 persons with the same social security status earning
9 eligible creditable service on the date of application.

10 (18) The term "State highway maintenance worker" means
11 a person who is either of the following:

12 (i) A person employed on a full-time basis by the
13 Illinois Department of Transportation in the position
14 of highway maintainer, highway maintenance lead
15 worker, highway maintenance lead/lead worker, heavy
16 construction equipment operator, power shovel
17 operator, or bridge mechanic; and whose principal
18 responsibility is to perform, on the roadway, the
19 actual maintenance necessary to keep the highways that
20 form a part of the State highway system in serviceable
21 condition for vehicular traffic.

22 (ii) A person employed on a full-time basis by the
23 Illinois State Toll Highway Authority in the position
24 of equipment operator/laborer H-4, equipment
25 operator/laborer H-6, welder H-4, welder H-6,
26 mechanical/electrical H-4, mechanical/electrical H-6,

1 water/sewer H-4, water/sewer H-6, sign maker/hanger
2 H-4, sign maker/hanger H-6, roadway lighting H-4,
3 roadway lighting H-6, structural H-4, structural H-6,
4 painter H-4, or painter H-6; and whose principal
5 responsibility is to perform, on the roadway, the
6 actual maintenance necessary to keep the Authority's
7 tollways in serviceable condition for vehicular
8 traffic.

9 (d) A security employee of the Department of Corrections or
10 the Department of Juvenile Justice, and a security employee of
11 the Department of Human Services who is not a mental health
12 police officer, shall not be eligible for the alternative
13 retirement annuity provided by this Section unless he or she
14 meets the following minimum age and service requirements at the
15 time of retirement:

16 (i) 25 years of eligible creditable service and age 55;

17 or

18 (ii) beginning January 1, 1987, 25 years of eligible
19 creditable service and age 54, or 24 years of eligible
20 creditable service and age 55; or

21 (iii) beginning January 1, 1988, 25 years of eligible
22 creditable service and age 53, or 23 years of eligible
23 creditable service and age 55; or

24 (iv) beginning January 1, 1989, 25 years of eligible
25 creditable service and age 52, or 22 years of eligible
26 creditable service and age 55; or

1 (v) beginning January 1, 1990, 25 years of eligible
2 creditable service and age 51, or 21 years of eligible
3 creditable service and age 55; or

4 (vi) beginning January 1, 1991, 25 years of eligible
5 creditable service and age 50, or 20 years of eligible
6 creditable service and age 55.

7 Persons who have service credit under Article 16 of this
8 Code for service as a security employee of the Department of
9 Corrections or the Department of Juvenile Justice, or the
10 Department of Human Services in a position requiring
11 certification as a teacher may count such service toward
12 establishing their eligibility under the service requirements
13 of this Section; but such service may be used only for
14 establishing such eligibility, and not for the purpose of
15 increasing or calculating any benefit.

16 (e) If a member enters military service while working in a
17 position in which eligible creditable service may be earned,
18 and returns to State service in the same or another such
19 position, and fulfills in all other respects the conditions
20 prescribed in this Article for credit for military service,
21 such military service shall be credited as eligible creditable
22 service for the purposes of the retirement annuity prescribed
23 in this Section.

24 (f) For purposes of calculating retirement annuities under
25 this Section, periods of service rendered after December 31,
26 1968 and before October 1, 1975 as a covered employee in the

1 position of special agent, conservation police officer, mental
2 health police officer, or investigator for the Secretary of
3 State, shall be deemed to have been service as a noncovered
4 employee, provided that the employee pays to the System prior
5 to retirement an amount equal to (1) the difference between the
6 employee contributions that would have been required for such
7 service as a noncovered employee, and the amount of employee
8 contributions actually paid, plus (2) if payment is made after
9 July 31, 1987, regular interest on the amount specified in item
10 (1) from the date of service to the date of payment.

11 For purposes of calculating retirement annuities under
12 this Section, periods of service rendered after December 31,
13 1968 and before January 1, 1982 as a covered employee in the
14 position of investigator for the Department of Revenue shall be
15 deemed to have been service as a noncovered employee, provided
16 that the employee pays to the System prior to retirement an
17 amount equal to (1) the difference between the employee
18 contributions that would have been required for such service as
19 a noncovered employee, and the amount of employee contributions
20 actually paid, plus (2) if payment is made after January 1,
21 1990, regular interest on the amount specified in item (1) from
22 the date of service to the date of payment.

23 (g) A State policeman may elect, not later than January 1,
24 1990, to establish eligible creditable service for up to 10
25 years of his service as a policeman under Article 3, by filing
26 a written election with the Board, accompanied by payment of an

1 amount to be determined by the Board, equal to (i) the
2 difference between the amount of employee and employer
3 contributions transferred to the System under Section 3-110.5,
4 and the amounts that would have been contributed had such
5 contributions been made at the rates applicable to State
6 policemen, plus (ii) interest thereon at the effective rate for
7 each year, compounded annually, from the date of service to the
8 date of payment.

9 Subject to the limitation in subsection (i), a State
10 policeman may elect, not later than July 1, 1993, to establish
11 eligible creditable service for up to 10 years of his service
12 as a member of the County Police Department under Article 9, by
13 filing a written election with the Board, accompanied by
14 payment of an amount to be determined by the Board, equal to
15 (i) the difference between the amount of employee and employer
16 contributions transferred to the System under Section 9-121.10
17 and the amounts that would have been contributed had those
18 contributions been made at the rates applicable to State
19 policemen, plus (ii) interest thereon at the effective rate for
20 each year, compounded annually, from the date of service to the
21 date of payment.

22 (h) Subject to the limitation in subsection (i), a State
23 policeman or investigator for the Secretary of State may elect
24 to establish eligible creditable service for up to 12 years of
25 his service as a policeman under Article 5, by filing a written
26 election with the Board on or before January 31, 1992, and

1 paying to the System by January 31, 1994 an amount to be
2 determined by the Board, equal to (i) the difference between
3 the amount of employee and employer contributions transferred
4 to the System under Section 5-236, and the amounts that would
5 have been contributed had such contributions been made at the
6 rates applicable to State policemen, plus (ii) interest thereon
7 at the effective rate for each year, compounded annually, from
8 the date of service to the date of payment.

9 Subject to the limitation in subsection (i), a State
10 policeman, conservation police officer, or investigator for
11 the Secretary of State may elect to establish eligible
12 creditable service for up to 10 years of service as a sheriff's
13 law enforcement employee under Article 7, by filing a written
14 election with the Board on or before January 31, 1993, and
15 paying to the System by January 31, 1994 an amount to be
16 determined by the Board, equal to (i) the difference between
17 the amount of employee and employer contributions transferred
18 to the System under Section 7-139.7, and the amounts that would
19 have been contributed had such contributions been made at the
20 rates applicable to State policemen, plus (ii) interest thereon
21 at the effective rate for each year, compounded annually, from
22 the date of service to the date of payment.

23 Subject to the limitation in subsection (i), a State
24 policeman, conservation police officer, or investigator for
25 the Secretary of State may elect to establish eligible
26 creditable service for up to 5 years of service as a police

1 officer under Article 3, a policeman under Article 5, a
2 sheriff's law enforcement employee under Article 7, a member of
3 the county police department under Article 9, or a police
4 officer under Article 15 by filing a written election with the
5 Board and paying to the System an amount to be determined by
6 the Board, equal to (i) the difference between the amount of
7 employee and employer contributions transferred to the System
8 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4
9 and the amounts that would have been contributed had such
10 contributions been made at the rates applicable to State
11 policemen, plus (ii) interest thereon at the effective rate for
12 each year, compounded annually, from the date of service to the
13 date of payment.

14 (i) The total amount of eligible creditable service
15 established by any person under subsections (g), (h), (j), (k),
16 and (l) of this Section shall not exceed 12 years.

17 (j) Subject to the limitation in subsection (i), an
18 investigator for the Office of the State's Attorneys Appellate
19 Prosecutor or a controlled substance inspector may elect to
20 establish eligible creditable service for up to 10 years of his
21 service as a policeman under Article 3 or a sheriff's law
22 enforcement employee under Article 7, by filing a written
23 election with the Board, accompanied by payment of an amount to
24 be determined by the Board, equal to (1) the difference between
25 the amount of employee and employer contributions transferred
26 to the System under Section 3-110.6 or 7-139.8, and the amounts

1 that would have been contributed had such contributions been
2 made at the rates applicable to State policemen, plus (2)
3 interest thereon at the effective rate for each year,
4 compounded annually, from the date of service to the date of
5 payment.

6 (k) Subject to the limitation in subsection (i) of this
7 Section, an alternative formula employee may elect to establish
8 eligible creditable service for periods spent as a full-time
9 law enforcement officer or full-time corrections officer
10 employed by the federal government or by a state or local
11 government located outside of Illinois, for which credit is not
12 held in any other public employee pension fund or retirement
13 system. To obtain this credit, the applicant must file a
14 written application with the Board by March 31, 1998,
15 accompanied by evidence of eligibility acceptable to the Board
16 and payment of an amount to be determined by the Board, equal
17 to (1) employee contributions for the credit being established,
18 based upon the applicant's salary on the first day as an
19 alternative formula employee after the employment for which
20 credit is being established and the rates then applicable to
21 alternative formula employees, plus (2) an amount determined by
22 the Board to be the employer's normal cost of the benefits
23 accrued for the credit being established, plus (3) regular
24 interest on the amounts in items (1) and (2) from the first day
25 as an alternative formula employee after the employment for
26 which credit is being established to the date of payment.

1 (1) Subject to the limitation in subsection (i), a security
2 employee of the Department of Corrections may elect, not later
3 than July 1, 1998, to establish eligible creditable service for
4 up to 10 years of his or her service as a policeman under
5 Article 3, by filing a written election with the Board,
6 accompanied by payment of an amount to be determined by the
7 Board, equal to (i) the difference between the amount of
8 employee and employer contributions transferred to the System
9 under Section 3-110.5, and the amounts that would have been
10 contributed had such contributions been made at the rates
11 applicable to security employees of the Department of
12 Corrections, plus (ii) interest thereon at the effective rate
13 for each year, compounded annually, from the date of service to
14 the date of payment.

15 (m) The amendatory changes to this Section made by this
16 amendatory Act of the 94th General Assembly apply only to: (1)
17 security employees of the Department of Juvenile Justice
18 employed by the Department of Corrections before the effective
19 date of this amendatory Act of the 94th General Assembly and
20 transferred to the Department of Juvenile Justice by this
21 amendatory Act of the 94th General Assembly; and (2) persons
22 employed by the Department of Juvenile Justice on or after the
23 effective date of this amendatory Act of the 94th General
24 Assembly who are required by subsection (b) of Section 3-2.5-15
25 of the Unified Code of Corrections to have a bachelor's or
26 advanced degree from an accredited college or university with a

1 specialization in criminal justice, education, psychology,
2 social work, or a closely related social science or, in the
3 case of persons who provide vocational training, who are
4 required to have adequate knowledge in the skill for which they
5 are providing the vocational training.

6 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06; 95-530,
7 eff. 8-28-07.)

8 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)

9 Sec. 14-111. Re-entry After retirement.

10 (a) An annuitant who re-enters the service of a department
11 and receives compensation on a regular payroll shall receive no
12 payments of the retirement annuity during the time he is so
13 employed, with the following exceptions:

14 (1) An annuitant who is employed by a department while
15 he or she is a continuing participant in the General
16 Assembly Retirement System under Sections 2-117.1 and
17 14-105.4 will not be considered to have made a re-entry
18 after retirement within the meaning of this Section for the
19 duration of such continuing participation. Any person who
20 is a continuing participant under Sections 2-117.1 and
21 14-105.4 on the effective date of this amendatory Act of
22 1991 and whose retirement annuity has been suspended under
23 this Section shall be entitled to receive from the System a
24 sum equal to the annuity payments that have been withheld
25 under this Section, and shall receive the benefit of this

1 amendment without regard to Section 1-103.1.

2 (2) An annuitant who accepts temporary employment from
3 such a department for a period not exceeding 75 working
4 days in any calendar year is not considered to make a
5 re-entry after retirement within the meaning of this
6 Section. Any part of a day on temporary employment is
7 considered a full day of employment.

8 (3) An annuitant who accepts employment as a member of
9 the Illinois Gaming Board or as the Director of Gaming
10 Enforcement may elect to not participate in this System
11 with respect to that service. An annuitant who elects to
12 not participate in this System with respect to that service
13 is not considered to make a re-entry after retirement
14 within the meaning of this Section.

15 (b) If such person re-enters the service of a department,
16 not as a temporary employee, contributions to the system shall
17 begin as of the date of re-employment and additional creditable
18 service shall begin to accrue. He shall assume the status of a
19 member entitled to all rights and privileges in the system,
20 including death and disability benefits, excluding a refund of
21 contributions.

22 Upon subsequent retirement, his retirement annuity shall
23 consist of:

24 (1) the amounts of the annuities terminated by re-entry
25 into service; and

26 (2) the amount of the additional retirement annuity

1 earned by the member during the period of additional
2 membership service which shall not be subject to
3 reversionary annuity if any.

4 The total retirement annuity shall not, however, exceed the
5 maximum applicable to the member at the time of original
6 retirement. In the computation of any such retirement annuity,
7 the time that the member was on retirement shall not interrupt
8 the continuity of service for the computation of final average
9 compensation and the additional membership service shall be
10 considered, together with service rendered before the previous
11 retirement, in establishing final average compensation.

12 A person who re-enters the service of a department within 3
13 years after retiring may qualify to have the retirement annuity
14 computed as though the member had not previously retired by
15 paying to the System, within 5 years after re-entry and prior
16 to subsequent retirement, in a lump sum or in installment
17 payments in accordance with such rules as may be adopted by the
18 Board, an amount equal to all retirement payments received,
19 including any payments received in accordance with subsection
20 (c) or (d) of Section 14-130, plus regular interest from the
21 date retirement payments were suspended to the date of
22 repayment.

23 (Source: P.A. 86-1488; 87-794.)

24 (40 ILCS 5/14-152.1)

25 Sec. 14-152.1. Application and expiration of new benefit

1 increases.

2 (a) As used in this Section, "new benefit increase" means
3 an increase in the amount of any benefit provided under this
4 Article, or an expansion of the conditions of eligibility for
5 any benefit under this Article, that results from an amendment
6 to this Code that takes effect after June 1, 2005 (the
7 effective date of Public Act 94-4) ~~this amendatory Act of the~~
8 ~~94th General Assembly~~. "New benefit increase", however, does
9 not include any benefit increase resulting from the changes
10 made to this Article by this amendatory Act of the 95th General
11 Assembly.

12 (b) Notwithstanding any other provision of this Code or any
13 subsequent amendment to this Code, every new benefit increase
14 is subject to this Section and shall be deemed to be granted
15 only in conformance with and contingent upon compliance with
16 the provisions of this Section.

17 (c) The Public Act enacting a new benefit increase must
18 identify and provide for payment to the System of additional
19 funding at least sufficient to fund the resulting annual
20 increase in cost to the System as it accrues.

21 Every new benefit increase is contingent upon the General
22 Assembly providing the additional funding required under this
23 subsection. The Commission on Government Forecasting and
24 Accountability shall analyze whether adequate additional
25 funding has been provided for the new benefit increase and
26 shall report its analysis to the Public Pension Division of the

1 Department of Financial and Professional Regulation. A new
2 benefit increase created by a Public Act that does not include
3 the additional funding required under this subsection is null
4 and void. If the Public Pension Division determines that the
5 additional funding provided for a new benefit increase under
6 this subsection is or has become inadequate, it may so certify
7 to the Governor and the State Comptroller and, in the absence
8 of corrective action by the General Assembly, the new benefit
9 increase shall expire at the end of the fiscal year in which
10 the certification is made.

11 (d) Every new benefit increase shall expire 5 years after
12 its effective date or on such earlier date as may be specified
13 in the language enacting the new benefit increase or provided
14 under subsection (c). This does not prevent the General
15 Assembly from extending or re-creating a new benefit increase
16 by law.

17 (e) Except as otherwise provided in the language creating
18 the new benefit increase, a new benefit increase that expires
19 under this Section continues to apply to persons who applied
20 and qualified for the affected benefit while the new benefit
21 increase was in effect and to the affected beneficiaries and
22 alternate payees of such persons, but does not apply to any
23 other person, including without limitation a person who
24 continues in service after the expiration date and did not
25 apply and qualify for the affected benefit while the new
26 benefit increase was in effect.

1 (Source: P.A. 94-4, eff. 6-1-05.)

2 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

3 Sec. 18-127. Retirement annuity - suspension on
4 reemployment.

5 (a) A participant receiving a retirement annuity who is
6 regularly employed for compensation by an employer other than a
7 county, in any capacity, shall have his or her retirement
8 annuity payments suspended during such employment. Upon
9 termination of such employment, retirement annuity payments at
10 the previous rate shall be resumed.

11 If such a participant resumes service as a judge, he or she
12 shall receive credit for any additional service. Upon
13 subsequent retirement, his or her retirement annuity shall be
14 the amount previously granted, plus the amount earned by the
15 additional judicial service under the provisions in effect
16 during the period of such additional service. However, if the
17 participant was receiving the maximum rate of annuity at the
18 time of re-employment, he or she may elect, in a written
19 direction filed with the board, not to receive any additional
20 service credit during the period of re-employment. In such
21 case, contributions shall not be required during the period of
22 re-employment. Any such election shall be irrevocable.

23 (b) Beginning January 1, 1991, any participant receiving a
24 retirement annuity who accepts temporary employment from an
25 employer other than a county for a period not exceeding 75

1 working days in any calendar year shall not be deemed to be
2 regularly employed for compensation or to have resumed service
3 as a judge for the purposes of this Article. A day shall be
4 considered a working day if the annuitant performs on it any of
5 his duties under the temporary employment agreement.

6 (c) Except as provided in subsection (a), beginning January
7 1, 1993, retirement annuities shall not be subject to
8 suspension upon resumption of employment for an employer, and
9 any retirement annuity that is then so suspended shall be
10 reinstated on that date.

11 (d) The changes made in this Section by this amendatory Act
12 of 1993 shall apply to judges no longer in service on its
13 effective date, as well as to judges serving on or after that
14 date.

15 (e) A participant receiving a retirement annuity under this
16 Article who (i) serves as a part-time employee in any of the
17 following positions: Legislative Inspector General, Special
18 Legislative Inspector General, employee of the Office of the
19 Legislative Inspector General, Executive Director of the
20 Legislative Ethics Commission, or staff of the Legislative
21 Ethics Commission or (ii) serves on the Illinois Gaming Board
22 or as the Director of Gaming Enforcement, but has not elected
23 to participate in the Article 14 System with respect to that
24 service, shall not be deemed to be regularly employed for
25 compensation by an employer other than a county, nor to have
26 resumed service as a judge, on the basis of that service, and

1 the retirement annuity payments and other benefits of that
2 person under this Code shall not be suspended, diminished, or
3 otherwise impaired solely as a consequence of that service.
4 This subsection (e) applies without regard to whether the
5 person is in service as a judge under this Article on or after
6 the effective date of this amendatory Act of the 93rd General
7 Assembly. In this subsection, a "part-time employee" is a
8 person who is not required to work at least 35 hours per week.
9 The changes made to this subsection (e) by this amendatory Act
10 of the 95th General Assembly apply without regard to whether
11 the person is in service as a judge under this Article on or
12 after the effective date of this amendatory Act of the 95th
13 General Assembly.

14 (f) A participant receiving a retirement annuity under this
15 Article who has made an election under Section 1-123 and who is
16 serving either as legal counsel in the Office of the Governor
17 or as Chief Deputy Attorney General shall not be deemed to be
18 regularly employed for compensation by an employer other than a
19 county, nor to have resumed service as a judge, on the basis of
20 that service, and the retirement annuity payments and other
21 benefits of that person under this Code shall not be suspended,
22 diminished, or otherwise impaired solely as a consequence of
23 that service. This subsection (f) applies without regard to
24 whether the person is in service as a judge under this Article
25 on or after the effective date of this amendatory Act of the
26 93rd General Assembly.

1 (Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)

2 (40 ILCS 5/18-169)

3 Sec. 18-169. Application and expiration of new benefit
4 increases.

5 (a) As used in this Section, "new benefit increase" means
6 an increase in the amount of any benefit provided under this
7 Article, or an expansion of the conditions of eligibility for
8 any benefit under this Article, that results from an amendment
9 to this Code that takes effect after June 1, 2005 (the
10 effective date Public Act 94-4) ~~of this amendatory Act of the~~
11 ~~94th General Assembly~~. "New benefit increase", however, does
12 not include any benefit increase resulting from the changes
13 made to this Article by this amendatory Act of the 95th General
14 Assembly.

15 (b) Notwithstanding any other provision of this Code or any
16 subsequent amendment to this Code, every new benefit increase
17 is subject to this Section and shall be deemed to be granted
18 only in conformance with and contingent upon compliance with
19 the provisions of this Section.

20 (c) The Public Act enacting a new benefit increase must
21 identify and provide for payment to the System of additional
22 funding at least sufficient to fund the resulting annual
23 increase in cost to the System as it accrues.

24 Every new benefit increase is contingent upon the General
25 Assembly providing the additional funding required under this

1 subsection. The Commission on Government Forecasting and
2 Accountability shall analyze whether adequate additional
3 funding has been provided for the new benefit increase and
4 shall report its analysis to the Public Pension Division of the
5 Department of Financial and Professional Regulation. A new
6 benefit increase created by a Public Act that does not include
7 the additional funding required under this subsection is null
8 and void. If the Public Pension Division determines that the
9 additional funding provided for a new benefit increase under
10 this subsection is or has become inadequate, it may so certify
11 to the Governor and the State Comptroller and, in the absence
12 of corrective action by the General Assembly, the new benefit
13 increase shall expire at the end of the fiscal year in which
14 the certification is made.

15 (d) Every new benefit increase shall expire 5 years after
16 its effective date or on such earlier date as may be specified
17 in the language enacting the new benefit increase or provided
18 under subsection (c). This does not prevent the General
19 Assembly from extending or re-creating a new benefit increase
20 by law.

21 (e) Except as otherwise provided in the language creating
22 the new benefit increase, a new benefit increase that expires
23 under this Section continues to apply to persons who applied
24 and qualified for the affected benefit while the new benefit
25 increase was in effect and to the affected beneficiaries and
26 alternate payees of such persons, but does not apply to any

1 other person, including without limitation a person who
2 continues in service after the expiration date and did not
3 apply and qualify for the affected benefit while the new
4 benefit increase was in effect.

5 (Source: P.A. 94-4, eff. 6-1-05.)

6 Section 90-25. The Joliet Regional Port District Act is
7 amended by changing Section 5.1 as follows:

8 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

9 Sec. 5.1. Riverboat gambling. Notwithstanding any other
10 provision of this Act, the District may not regulate the
11 operation, conduct, or navigation of any riverboat gambling
12 casino licensed under the Illinois ~~Riverboat~~ Gambling Act, and
13 the District may not license, tax, or otherwise levy any
14 assessment of any kind on any riverboat gambling casino
15 licensed under the Illinois ~~Riverboat~~ Gambling Act. The General
16 Assembly declares that the powers to regulate the operation,
17 conduct, and navigation of riverboat gambling casinos and to
18 license, tax, and levy assessments upon riverboat gambling
19 casinos are exclusive powers of the State of Illinois and the
20 Illinois Gaming Board as provided in the Illinois ~~Riverboat~~
21 Gambling Act.

22 (Source: P.A. 87-1175.)

23 Section 90-27. The School Construction Law is amended by

1 changing Section 5-10 and adding Section 5-36 as follows:

2 (105 ILCS 230/5-10)

3 Sec. 5-10. Grant awards. The Capital Development Board is
4 authorized to make grants to school districts for school
5 construction projects with funds appropriated by the General
6 Assembly from the School Infrastructure Fund pursuant to the
7 provisions of this Article or the Illinois Works Fund. The
8 State Board of Education is authorized to make grants to school
9 districts for debt service with funds appropriated by the
10 General Assembly from the School Infrastructure Fund pursuant
11 to the provisions of this Article.

12 (Source: P.A. 90-548, eff. 1-1-98.)

13 (105 ILCS 230/5-36 new)

14 Sec. 5-36. The Chicago Public Schools Capital Needs Board.

15 (a) The Chicago Public Schools Capital Needs Board is
16 created as an advisory board to the State Board of Education
17 and the Capital Development Board. The Chicago Public Schools
18 Capital Needs Board shall consist of 5 members appointed by the
19 Governor, 2 of whom are appointed to serve an initial term of
20 one year and 3 of whom are appointed to serve an initial term
21 of 2 years. One Board member shall be appointed chairperson of
22 the Board at the time of appointment.

23 (b) After the initial terms, each member shall be appointed
24 to serve a term of 2 years and until his or her successor is

1 appointed and has qualified. If a vacancy occurs in board
2 membership, the vacancy shall be filled in the same manner as
3 the initial appointment.

4 Board members shall serve without compensation, but may be
5 reimbursed for their reasonable travel expenses from funds
6 available for that purpose. The State Board of Education and
7 Capital Development Board shall provide staff and
8 administrative support services to the Chicago Public Schools
9 Capital Needs Board.

10 (c) The Chicago Public Schools Capital Needs Board shall
11 make recommendations annually to the State Board of Education
12 and Capital Development Board concerning the allocation of
13 school construction funds awarded to a school district with a
14 population exceeding 500,000 as authorized by subsection (b) of
15 Section 5-35 of this Law or by the Illinois Works Capital
16 Program.

17 (1) The Chicago Public Schools Capital Needs Board
18 shall review applications submitted to the State Board of
19 Education by the school district and other relevant
20 materials in preparing its recommendations.

21 (2) The Chicago Public Schools Capital Needs Board
22 shall consider the eligibility and project standards
23 outlined in Section 5-30 of this Law, along with other
24 factors that contribute to neighborhood revitalization and
25 educational outcomes.

26 (3) The Chicago Public Schools Capital Needs Board

1 shall make specific recommendations for allocation of the
2 award of school construction funds, including listing
3 specific schools and projects for each listed school, for
4 the upcoming fiscal year to the Capital Development Board.

5 (4) The Capital Development Board shall incorporate
6 the recommendations for allocation of the award of school
7 construction funds in item (3) of this subsection (c) and
8 include only that allocation in any grant award or
9 agreement entered into with the school district.

10 (5) The Capital Development Board shall not transfer
11 funds to the school district prior to the recommendation
12 for allocation of the award of the Chicago Public Schools
13 Capital Needs Board, incorporation of the recommendation
14 by the Capital Development Board, and completion of an
15 executed grant agreement containing the recommendations of
16 the Chicago Public Schools Capital Needs Board between the
17 Capital Development Board and the school district.

18 Section 90-30. The Consumer Installment Loan Act is amended
19 by changing Section 12.5 as follows:

20 (205 ILCS 670/12.5)

21 Sec. 12.5. Limited purpose branch.

22 (a) Upon the written approval of the Director, a licensee
23 may maintain a limited purpose branch for the sole purpose of
24 making loans as permitted by this Act. A limited purpose branch

1 may include an automatic loan machine. No other activity shall
2 be conducted at the site, including but not limited to,
3 accepting payments, servicing the accounts, or collections.

4 (b) The licensee must submit an application for a limited
5 purpose branch to the Director on forms prescribed by the
6 Director with an application fee of \$300. The approval for the
7 limited purpose branch must be renewed concurrently with the
8 renewal of the licensee's license along with a renewal fee of
9 \$300 for the limited purpose branch.

10 (c) The books, accounts, records, and files of the limited
11 purpose branch's transactions shall be maintained at the
12 licensee's licensed location. The licensee shall notify the
13 Director of the licensed location at which the books, accounts,
14 records, and files shall be maintained.

15 (d) The licensee shall prominently display at the limited
16 purpose branch the address and telephone number of the
17 licensee's licensed location.

18 (e) No other business shall be conducted at the site of the
19 limited purpose branch unless authorized by the Director.

20 (f) The Director shall make and enforce reasonable rules
21 for the conduct of a limited purpose branch.

22 (g) A limited purpose branch may not be located in ~~within~~
23 ~~1,000 feet of~~ a facility operated by an inter-track wagering
24 licensee or an organization licensee subject to the Illinois
25 Horse Racing Act of 1975, on a riverboat, in a casino, or in an
26 electronic gaming facility subject to the Illinois Riverboat

1 Gambling Act, or within 1,000 feet of any such ~~the~~ location ~~at~~
2 ~~which the riverboat docks.~~

3 (Source: P.A. 90-437, eff. 1-1-98.)

4 Section 90-35. The Illinois Horse Racing Act of 1975 is
5 amended by changing Sections 1.2, 1.3, 3.071, 3.077, 3.12,
6 3.20, 3.22, 3.23, 4, 5, 6, 7, 9, 20, 25, 26, 26.1, 27, 28.1, 30,
7 30.5, 31, 36, 42, and 45 and adding Sections 2.5, 3.24, 3.25,
8 3.26, 3.27, 3.28, 3.29, 6.5, 12.5, 21.5, 31.2, 31.3, 34.3, 56,
9 and 57 as follows:

10 (230 ILCS 5/1.2)

11 Sec. 1.2. Legislative intent. This Act is intended to
12 benefit the people of the State of Illinois by encouraging the
13 breeding and production of race horses, assisting economic
14 development, and promoting Illinois tourism. The General
15 Assembly finds and declares it to be the public policy of the
16 State of Illinois to:

17 (a) support and enhance Illinois' horse racing industry,
18 which is a significant component within the agribusiness
19 industry;

20 (b) ensure that Illinois' horse racing industry remains
21 competitive with neighboring states;

22 (c) stimulate growth within Illinois' horse racing
23 industry, thereby encouraging new investment and development
24 to produce additional tax revenues and to create additional

1 jobs;

2 (d) promote the further growth of tourism;

3 (e) encourage the breeding of thoroughbred and
4 standardbred horses in this State; and

5 (f) ensure that public confidence and trust in the
6 credibility and integrity of racing operations and the
7 regulatory process is maintained.

8 (Source: P.A. 91-40, eff. 6-25-99.)

9 (230 ILCS 5/1.3)

10 Sec. 1.3. Legislative findings.

11 (a) The General Assembly finds that the Illinois gaming
12 industry is a single industry consisting of horse racing, ~~and~~
13 riverboat and casino gambling, and electronic gaming. Reports
14 issued by the Economic and Fiscal Commission (now Commission on
15 Government Forecasting and Accountability) in 1992, 1994, and
16 1998 have found that horse racing and riverboat gambling:

17 (1) "share many of the same characteristics" and are
18 "more alike than different";

19 (2) are planned events;

20 (3) have similar odds of winning;

21 (4) occur in similar settings; and

22 (5) compete with each other for limited gaming dollars.

23 (b) The General Assembly declares it to be the public
24 policy of this State to ensure the viability of all ~~both horse~~
25 ~~racing and riverboat~~ aspects of the Illinois gaming industry.

1 (Source: P.A. 95-331, eff. 8-21-07.)

2 (230 ILCS 5/2.5 new)

3 Sec. 2.5. Separation from Department of Revenue. On the
4 effective date of this amendatory Act of the 95th General
5 Assembly, all of the powers, duties, assets, liabilities,
6 employees, contracts, property, records, pending business, and
7 unexpended appropriations of the Department of Revenue related
8 to the administration and enforcement of this Act are
9 transferred to the Illinois Racing Board.

10 The status and rights of the transferred employees, and the
11 rights of the State of Illinois and its agencies, under the
12 Personnel Code and applicable collective bargaining agreements
13 or under any pension, retirement, or annuity plan are not
14 affected (except as provided in the Illinois Pension Code) by
15 that transfer or by any other provision of this amendatory Act
16 of the 95th General Assembly.

17 (230 ILCS 5/3.071) (from Ch. 8, par. 37-3.071)

18 Sec. 3.071. Inter-track wagering. "Inter-track Wagering"
19 means a legal wager on the outcome of a simultaneously
20 televised horse race taking place at an Illinois race track
21 placed or accepted at any location authorized to accept wagers
22 under this Act, excluding the Illinois race track at which that
23 horse race is being conducted, and advance deposit wagering
24 through an advance deposit wagering licensee.

1 (Source: P.A. 89-16, eff. 5-30-95.)

2 (230 ILCS 5/3.077)

3 Sec. 3.077. Non-host licensee. "Non-host licensee" means a
4 licensee operating concurrently with a host track, but does not
5 include an advance deposit wagering licensee.

6 (Source: P.A. 89-16, eff. 5-30-95.)

7 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

8 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
9 system of wagering" means a form of wagering on the outcome of
10 horse races in which wagers are made in various denominations
11 on a horse or horses and all wagers for each race are pooled
12 and held by a licensee for distribution in a manner approved by
13 the Board. Wagers may be placed via any method or at any
14 location authorized under this Act.

15 (Source: P.A. 89-16, eff. 5-30-95.)

16 (230 ILCS 5/3.20)

17 Sec. 3.20. Licensee. "Licensee" means an individual
18 organization licensee, an inter-track wagering licensee, an ~~or~~
19 inter-track wagering location licensee, or an advance deposit
20 wagering licensee, as the context of this Act requires.

21 (Source: P.A. 89-16, eff. 5-30-95.)

22 (230 ILCS 5/3.22)

1 Sec. 3.22. Wagering facility. "Wagering facility" means
2 any location at which a licensee, other than an advance deposit
3 wagering licensee, may accept or receive pari-mutuel wagers
4 under this Act.

5 (Source: P.A. 89-16, eff. 5-30-95.)

6 (230 ILCS 5/3.23)

7 Sec. 3.23. Wagering. "Wagering" means, collectively, the
8 pari-mutuel system of wagering, inter-track wagering, ~~and~~
9 simulcast wagering, and advance deposit wagering.

10 (Source: P.A. 89-16, eff. 5-30-95.)

11 (230 ILCS 5/3.24 new)

12 Sec. 3.24. Adjusted gross receipts. "Adjusted gross
13 receipts" means the gross receipts from electronic gaming less
14 winnings paid to wagerers.

15 (230 ILCS 5/3.25 new)

16 Sec. 3.25. Electronic gaming. "Electronic gaming" means
17 slot machine gambling, video games of chance, and electronic
18 games as defined in the Illinois Gambling Act, that is
19 conducted at a race track pursuant to an electronic gaming
20 license.

21 (230 ILCS 5/3.26 new)

22 Sec. 3.26. Electronic gaming license. "Electronic gaming

1 license" means a license to conduct electronic gaming issued
2 under Section 56.

3 (230 ILCS 5/3.27 new)

4 Sec. 3.27. Electronic gaming facility. "Electronic gaming
5 facility" means that portion of an organization licensee's race
6 track facility at which electronic gaming is conducted.

7 (230 ILCS 5/3.28 new)

8 Sec. 3.28. Advance deposit wagering licensee. "Advance
9 deposit wagering licensee" means a person licensed by the Board
10 to conduct advance deposit wagering. An advance deposit
11 wagering licensee shall be an organization licensee or a person
12 or third party who contracts with an organization licensee in
13 order to conduct advance deposit wagering.

14 (230 ILCS 5/3.29 new)

15 Sec. 3.29. Advance deposit wagering. "Advance deposit
16 wagering" means a method of pari-mutuel wagering in which an
17 individual may establish an account, deposit money into the
18 account, and use the account balance to pay for pari-mutuel
19 wagering authorized by this Act. An advance deposit wager may
20 be placed in person at a wagering facility or from any other
21 location via a telephone-type device or any other electronic
22 means. Any person who accepts an advance deposit wager who is
23 not licensed by the Board as an advance deposit wagering

1 licensee shall be considered in violation of this Act and the
2 Criminal Code of 1961. Any advance deposit wager placed in
3 person at a wagering facility shall be deemed to have been
4 placed at that wagering facility.

5 (230 ILCS 5/4) (from Ch. 8, par. 37-4)

6 Sec. 4. Until the effective date of this amendatory Act of
7 the 95th General Assembly, the ~~The~~ Board shall consist of 11
8 members to be appointed by the Governor with the advice and
9 consent of the Senate, not more than 6 of whom shall be of the
10 same political party, and one of whom shall be designated by
11 the Governor to be chairman.

12 The new Board shall consist of 7 members appointed by the
13 Governor from nominations presented to the Governor by the
14 Nomination Panel and with the advice and consent of the Senate.
15 Notwithstanding any provision of this Section to the contrary,
16 the term of office of each member of the Board sitting on the
17 effective date of this amendatory Act of the 95th General
18 Assembly ends when all 7 members of the new Board are appointed
19 and qualified pursuant to this amendatory Act.

20 Each member shall have a reasonable knowledge of harness or
21 thoroughbred racing practices and procedure and of the
22 principles of harness or thoroughbred racing and breeding and,
23 at the time of his appointment, shall be a resident of the
24 State of Illinois and shall have resided therein for a period
25 of at least 5 years next preceding his appointment and

1 qualification and he shall be a qualified voter therein and not
2 less than 25 years of age. The Board should reflect the ethnic,
3 cultural, and geographic diversity of the State.

4 (Source: P.A. 91-798, eff. 7-9-00.)

5 (230 ILCS 5/5) (from Ch. 8, par. 37-5)

6 Sec. 5. As soon as practicable following the effective date
7 of this amendatory Act of 1995, the Governor shall appoint,
8 with the advice and consent of the Senate, members to the Board
9 as follows: 3 members for terms expiring July 1, 1996; 3
10 members for terms expiring July 1, 1998; and 3 members for
11 terms expiring July 1, 2000. Of the 2 additional members
12 appointed pursuant to this amendatory Act of the 91st General
13 Assembly, the initial term of one member shall expire on July
14 1, 2002 and the initial term of the other member shall expire
15 on July 1, 2004. Thereafter, the terms of office of the Board
16 members shall be 6 years. Incumbent members on the effective
17 date of this amendatory Act of 1995 shall continue to serve
18 only until their successors are appointed and have qualified.

19 The terms of office of the initial Board members appointed
20 pursuant to this amendatory Act of the 95th General Assembly
21 will commence from the effective date of this amendatory Act
22 and run as follows, to be determined by lot: one for a term
23 expiring July 1 of the year following confirmation, 2 for a
24 term expiring July 1 two years following confirmation, 2 for a
25 term expiring July 1 three years following confirmation, and 2

1 for a term expiring July 1 four years following confirmation.
2 Upon the expiration of the foregoing terms, the successors of
3 such members shall serve a term of 4 years and until their
4 successors are appointed and qualified for like terms.

5 Each member of the Board shall receive \$300 per day for
6 each day the Board meets and for each day the member conducts a
7 hearing pursuant to Section 16 of this Act, provided that no
8 Board member shall receive more than \$5,000 in such fees during
9 any calendar year, or an amount set by the Compensation Review
10 Board, whichever is greater. Members of the Board shall also be
11 reimbursed for all actual and necessary expenses and
12 disbursements incurred in the execution of their official
13 duties.

14 (Source: P.A. 91-357, eff. 7-29-99; 91-798, eff. 7-9-00.)

15 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

16 Sec. 6. Restrictions on Board members.

17 (a) No person shall be appointed a member of the Board or
18 continue to be a member of the Board if the person or any
19 member of their immediate family is a member of the Board of
20 Directors, employee, or financially interested in any of the
21 following: (i) any licensee or other person who has applied for
22 racing dates to the Board, or the operations thereof including,
23 but not limited to, concessions, data processing, track
24 maintenance, track security and pari mutuel operations,
25 located, scheduled or doing business within the State of

1 Illinois, (ii) any licensee or other person in any race horse
2 competing at a meeting under the Board's jurisdiction, or (iii)
3 any licensee under the Illinois Gambling Act. No person shall
4 be appointed a member of the Board or continue to be a member
5 of the Board who is (or any member of whose family is) a member
6 of the Board of Directors of, or who is a person financially
7 interested in, any licensee or other person who has applied for
8 racing dates to the Board, or the operations thereof including,
9 but not limited to, concessions, data processing, track
10 maintenance, track security and pari-mutuel operations,
11 located, scheduled or doing business within the State of
12 Illinois, or in any race horse competing at a meeting under the
13 Board's jurisdiction. No Board member shall hold any other
14 public office for which he shall receive compensation other
15 than necessary travel or other incidental expenses.

16 (b) No person shall be a member of the Board who is not of
17 good moral character or who has been convicted of, or is under
18 indictment for, a felony under the laws of Illinois or any
19 other state, or the United States.

20 (c) No member of the Board or employee shall engage in any
21 political activity. For the purposes of this Section,
22 "political" means any activity in support of or in connection
23 with any campaign for State or local elective office or any
24 political organization, but does not include activities (i)
25 relating to the support or opposition of any executive,
26 legislative, or administrative action (as those terms are

1 defined in Section 2 of the Lobbyist Registration Act), (ii)
2 relating to collective bargaining, or (iii) that are otherwise
3 in furtherance of the person's official State duties or
4 governmental and public service functions.

5 (d) Board members and employees may not engage in
6 communications or any activity that may cause or have the
7 appearance of causing a conflict of interest. A conflict of
8 interest exists if a situation influences or creates the
9 appearance that it may influence judgment or performance of
10 regulatory duties and responsibilities. This prohibition shall
11 extend to any act identified by Board action that, in the
12 judgment of the Board, could represent the potential for or the
13 appearance of a conflict of interest.

14 (e) Board members and employees may not accept any gift,
15 gratuity, service, compensation, travel, lodging, or thing of
16 value, with the exception of unsolicited items of an incidental
17 nature, from any person, corporation, or entity doing business
18 with the Board.

19 (f) A Board member or employee shall not use or attempt to
20 use his or her official position to secure, or attempt to
21 secure, any privilege, advantage, favor, or influence for
22 himself or herself or others. No Board member or employee of
23 the Board may attempt, in any way, to influence any person or
24 corporation doing business with the Authority or any officer,
25 agent, or employee thereof to hire or contract with any person
26 or corporation for any compensated work.

1 (Source: P.A. 89-16, eff. 5-30-95.)

2 (230 ILCS 5/6.5 new)

3 Sec. 6.5. Ex parte communications.

4 (a) For the purpose of this Section:

5 "Ex parte communication" means any written or oral
6 communication by any person that imparts or requests material
7 information or makes a material argument regarding potential
8 action concerning regulatory, quasi regulatory, investment, or
9 licensing matters pending before or under consideration by the
10 Illinois Racing Board. "Ex parte communication" does not
11 include the following: (i) statements by a person publicly made
12 in a public forum; (ii) statements regarding matters of
13 procedure and practice, such as format, the number of copies
14 required, the manner of filing, and the status of a matter;
15 (iii) statements regarding recommendation for pending or
16 approved legislation; (iv) statements made by a State employee
17 of the agency to the agency head or other employees of that
18 agency.

19 "Ex parte communication" does not include conversations
20 concerning qualifications to serve on the Board between members
21 of the Senate and nominees for the Board that occur in the time
22 period between nomination by the Governor and either
23 confirmation or rejection by the Senate.

24 "Interested party" means a person or entity whose rights,
25 privileges, or interests are the subject of or are directly

1 affected by a regulatory, quasi-adjudicatory, investment, or
2 licensing matter of the Board.

3 (b) A constitutional officer, a member of the General
4 Assembly, a special government agent as that term is defined in
5 Section 4A-101 of the Illinois Governmental Ethics Act, a
6 director, secretary, or other employee of the executive branch
7 of the State, an employee of the legislative branch of the
8 State, or an interested party may not engage in any ex parte
9 communication with a member of the Board or an employee. A
10 member of the Board or an employee must immediately report any
11 ex parte communication to the Board's Ethics Officer. A
12 violation of this subsection (b) is a Class 4 felony.

13 (c) A constitutional officer, a member of the General
14 Assembly, a special government agent as that term is defined in
15 Section 4A-101 of the Illinois Governmental Ethics Act, a
16 director, secretary, or other employee of the executive branch
17 of the State, an employee of the legislative branch of the
18 State, or an interested party may not engage in any ex parte
19 communication with a nominee for a position on the Board. A
20 person is deemed a nominee once he or she has submitted
21 information to the Nomination Panel. A nominee must immediately
22 report any ex parte communication to the Board's Ethics
23 Officer. A violation of this subsection (c) is a Class 4
24 felony.

25 (d) Notwithstanding any provision of this Section, if a
26 State constitutional officer or member of the General Assembly

1 or his or her designee determines that potential or actual
2 Illinois Gaming Board, Illinois Racing Board, or Director of
3 Gaming Enforcement business would affect the health, safety,
4 and welfare of the people of the State of Illinois, then the
5 State constitutional officer or member of the General Assembly
6 may submit questions or comments by written medium to the
7 Chairman of the Illinois Gaming Board, Chairman of the Illinois
8 Racing Board, and Director of Gaming Enforcement. Upon receipt
9 of the message or question, the Chairman or Director shall
10 submit the message or question to the entire board for
11 consideration.

12 (230 ILCS 5/7) (from Ch. 8, par. 37-7)

13 Sec. 7. Vacancies in the Board shall be filled for the
14 unexpired term in like manner as original appointments. Each
15 member of the Board shall be eligible for reappointment,
16 subject to the nomination process of the Nomination Panel, by
17 ~~in the discretion of~~ the Governor with the advice and consent
18 of the Senate.

19 (Source: P.A. 79-1185.)

20 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

21 Sec. 9. The Board shall have all powers necessary and
22 proper to fully and effectively execute the provisions of this
23 Act, including, but not limited to, the following:

24 (a) The Board is vested with jurisdiction and supervision

1 over all race meetings in this State, over all licensees doing
2 business in this State, over all occupation licensees, and over
3 all persons on the facilities of any licensee. Such
4 jurisdiction shall include the power to issue licenses to the
5 Illinois Department of Agriculture authorizing the pari-mutuel
6 system of wagering on harness and Quarter Horse races held (1)
7 at the Illinois State Fair in Sangamon County, and (2) at the
8 DuQuoin State Fair in Perry County. The jurisdiction of the
9 Board shall also include the power to issue licenses to county
10 fairs which are eligible to receive funds pursuant to the
11 Agricultural Fair Act, as now or hereafter amended, or their
12 agents, authorizing the pari-mutuel system of wagering on horse
13 races conducted at the county fairs receiving such licenses.
14 Such licenses shall be governed by subsection (n) of this
15 Section.

16 Upon application, the Board shall issue a license to the
17 Illinois Department of Agriculture to conduct harness and
18 Quarter Horse races at the Illinois State Fair and at the
19 DuQuoin State Fairgrounds during the scheduled dates of each
20 fair. The Board shall not require and the Department of
21 Agriculture shall be exempt from the requirements of Sections
22 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),
23 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
24 and 25. The Board and the Department of Agriculture may extend
25 any or all of these exemptions to any contractor or agent
26 engaged by the Department of Agriculture to conduct its race

1 meetings when the Board determines that this would best serve
2 the public interest and the interest of horse racing.

3 Notwithstanding any provision of law to the contrary, it
4 shall be lawful for any licensee to operate pari-mutuel
5 wagering or contract with the Department of Agriculture to
6 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
7 or for the Department to enter into contracts with a licensee,
8 employ its owners, employees or agents and employ such other
9 occupation licensees as the Department deems necessary in
10 connection with race meetings and wagerings.

11 (b) The Board is vested with the full power to promulgate
12 reasonable rules and regulations for the purpose of
13 administering the provisions of this Act and to prescribe
14 reasonable rules, regulations and conditions under which all
15 horse race meetings or wagering in the State shall be
16 conducted. Such reasonable rules and regulations are to provide
17 for the prevention of practices detrimental to the public
18 interest and to promote the best interests of horse racing and
19 to impose penalties for violations thereof.

20 (c) The Board, and any person or persons to whom it
21 delegates this power, is vested with the power to enter the
22 facilities and other places of business of any licensee to
23 determine whether there has been compliance with the provisions
24 of this Act and its rules and regulations.

25 ~~(d) The Board, and any person or persons to whom it~~
26 ~~delegates this power, is vested with the authority to~~

1 ~~investigate alleged violations of the provisions of this Act,~~
2 ~~its reasonable rules and regulations, orders and final~~
3 ~~decisions;~~ the Board shall take appropriate disciplinary
4 action against any licensee or occupation licensee for
5 violation thereof or institute appropriate legal action for the
6 enforcement thereof.

7 (e) The Board, the Office of Gaming Enforcement, and any
8 person or persons to whom it delegates this power, may eject or
9 exclude from any race meeting or the facilities of any
10 licensee, or any part thereof, any occupation licensee or any
11 other individual whose conduct or reputation is such that his
12 or her presence on those facilities may, in the opinion of the
13 Board, call into question the honesty and integrity of horse
14 racing or wagering or interfere with the orderly conduct of
15 horse racing or wagering; provided, however, that no person
16 shall be excluded or ejected from the facilities of any
17 licensee solely on the grounds of race, color, creed, national
18 origin, ancestry, or sex. The power to eject or exclude an
19 occupation licensee or other individual may be exercised for
20 just cause by the licensee, ~~or~~ the Board, or the Office of
21 Gaming Enforcement, subject to subsequent hearing by the Board
22 as to the propriety of said exclusion.

23 (f) The Board is vested with the power to acquire,
24 establish, maintain and operate (or provide by contract to
25 maintain and operate) testing laboratories and related
26 facilities, for the purpose of conducting saliva, blood, urine

1 and other tests on the horses run or to be run in any horse race
2 meeting and to purchase all equipment and supplies deemed
3 necessary or desirable in connection with any such testing
4 laboratories and related facilities and all such tests.

5 (f-5) The Department of Agriculture is vested with the
6 power to acquire, establish, maintain, and operate (or provide
7 by contract to maintain and operate) testing laboratories and
8 related facilities for the purpose of conducting saliva, blood,
9 urine, and other tests on the horses run or to be run in any
10 county fair horse race meeting and of purchasing all equipment
11 and supplies deemed necessary or desirable in connection with
12 any such testing laboratories and related facilities and all
13 such tests in any county fair horse race.

14 (g) The Board may require that the records, including
15 financial or other statements of any licensee or any person
16 affiliated with the licensee who is involved directly or
17 indirectly in the activities of any licensee as regulated under
18 this Act to the extent that those financial or other statements
19 relate to such activities be kept in such manner as prescribed
20 by the Board, and that Board employees shall have access to
21 those records during reasonable business hours. Within 120 days
22 of the end of its fiscal year, each licensee shall transmit to
23 the Board an audit of the financial transactions and condition
24 of the licensee's total operations. All audits shall be
25 conducted by certified public accountants. Each certified
26 public accountant must be registered in the State of Illinois

1 under the Illinois Public Accounting Act. The compensation for
2 each certified public accountant shall be paid directly by the
3 licensee to the certified public accountant. A licensee shall
4 also submit any other financial or related information the
5 Board deems necessary to effectively administer this Act and
6 all rules, regulations, and final decisions promulgated under
7 this Act.

8 (h) The Board shall name and appoint in the manner provided
9 by the rules and regulations of the Board: an Executive
10 Director; a State director of mutuels; State veterinarians and
11 representatives to take saliva, blood, urine and other tests on
12 horses; licensing personnel; revenue inspectors; and State
13 seasonal employees (excluding admission ticket sellers and
14 mutuel clerks). All of those named and appointed as provided in
15 this subsection shall serve during the pleasure of the Board;
16 their compensation shall be determined by the Board and be paid
17 in the same manner as other employees of the Board under this
18 Act.

19 (i) The Board shall require that there shall be 3 stewards
20 at each horse race meeting, at least 2 of whom shall be named
21 and appointed by the Board. Stewards appointed or approved by
22 the Board, while performing duties required by this Act or by
23 the Board, shall be entitled to the same rights and immunities
24 as granted to Board members and Board employees in Section 10
25 of this Act.

26 (j) The Board may discharge any Board employee who fails or

1 refuses for any reason to comply with the rules and regulations
2 of the Board, or who, in the opinion of the Board, is guilty of
3 fraud, dishonesty or who is proven to be incompetent. The Board
4 shall have no right or power to determine who shall be
5 officers, directors or employees of any licensee, or their
6 salaries except the Board may, by rule, require that all or any
7 officials or employees in charge of or whose duties relate to
8 the actual running of races be approved by the Board.

9 (k) The Board is vested with the power to appoint delegates
10 to execute any of the powers granted to it under this Section
11 for the purpose of administering this Act and any rules or
12 regulations promulgated in accordance with this Act.

13 (l) The Board is vested with the power to impose civil
14 penalties of up to \$5,000 against an individual and up to
15 \$10,000 against a licensee for each violation of any provision
16 of this Act, any rules adopted by the Board, any order of the
17 Board or any other action which, in the Board's discretion, is
18 a detriment or impediment to horse racing or wagering.

19 (m) The Board is vested with the power to prescribe a form
20 to be used by licensees as an application for employment for
21 employees of each licensee.

22 (n) The Board shall have the power to issue a license to
23 any county fair, or its agent, authorizing the conduct of the
24 pari-mutuel system of wagering. The Board is vested with the
25 full power to promulgate reasonable rules, regulations and
26 conditions under which all horse race meetings licensed

1 pursuant to this subsection shall be held and conducted,
2 including rules, regulations and conditions for the conduct of
3 the pari-mutuel system of wagering. The rules, regulations and
4 conditions shall provide for the prevention of practices
5 detrimental to the public interest and for the best interests
6 of horse racing, and shall prescribe penalties for violations
7 thereof. Any authority granted the Board under this Act shall
8 extend to its jurisdiction and supervision over county fairs,
9 or their agents, licensed pursuant to this subsection. However,
10 the Board may waive any provision of this Act or its rules or
11 regulations which would otherwise apply to such county fairs or
12 their agents.

13 (o) Whenever the Board is authorized or required by law to
14 consider some aspect of criminal history record information for
15 the purpose of carrying out its statutory powers and
16 responsibilities, then, upon request and payment of fees in
17 conformance with the requirements of Section 2605-400 of the
18 Department of State Police Law (20 ILCS 2605/2605-400), the
19 Department of State Police is authorized to furnish, pursuant
20 to positive identification, such information contained in
21 State files as is necessary to fulfill the request.

22 (p) To insure the convenience, comfort, and wagering
23 accessibility of race track patrons, to provide for the
24 maximization of State revenue, and to generate increases in
25 purse allotments to the horsemen, the Board shall require any
26 licensee to staff the pari-mutuel department with adequate

1 personnel.

2 (Source: P.A. 91-239, eff. 1-1-00.)

3 (230 ILCS 5/12.5 new)

4 Sec. 12.5. Contractor disclosure of political
5 contributions.

6 (a) As used in this Section:

7 "Contracts" means any agreement for services or goods for a
8 period to exceed one year or with an annual value of at least
9 \$10,000.

10 "Contribution" means contribution as defined in this Act.

11 "Affiliated person" means (i) any person with any ownership
12 interest or distributive share of the bidding or contracting
13 entity in excess of 1%, (ii) executive employees of the bidding
14 or contracting entity, and (iii) the spouse and minor children
15 of any such persons.

16 "Affiliated entity" means (i) any parent or subsidiary of
17 the bidding or contracting entity, (ii) any member of the same
18 unitary business group, or (iii) any political committee for
19 which the bidding or contracting entity is the sponsoring
20 entity.

21 (b) A bidder, respondent, offeror, or contractor for
22 contracts with a licensee shall disclose all political
23 contributions of the bidder, respondent, offeror, or
24 contractor and any affiliated person or entity. Such disclosure
25 must accompany any contract. The disclosure must be submitted

1 to the Board with a copy of the contract prior to Board
2 approval of the contract. The disclosure of each successful
3 bidder, respondent, or offeror shall become part of the
4 publicly available record.

5 (c) Disclosure by the bidder, respondent, offeror, or
6 contractor shall include at least the names and addresses of
7 the contributors and the dollar amounts of any contributions to
8 any political committee made within the previous 2 years.

9 (d) The Board shall refuse to approve any contract that
10 does not include the required disclosure. The Board must
11 include the disclosure on its website.

12 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

13 Sec. 20. (a) Any person desiring to conduct a horse race
14 meeting may apply to the Board for an organization license. The
15 application shall be made on a form prescribed and furnished by
16 the Board. The application shall specify:

17 (1) the dates on which it intends to conduct the horse
18 race meeting, which dates shall be provided under Section
19 21;

20 (2) the hours of each racing day between which it
21 intends to hold or conduct horse racing at such meeting;

22 (3) the location where it proposes to conduct the
23 meeting; and

24 (4) any other information the Board may reasonably
25 require.

1 (b) A separate application for an organization license
2 shall be filed for each horse race meeting which such person
3 proposes to hold. Any such application, if made by an
4 individual, or by any individual as trustee, shall be signed
5 and verified under oath by such individual. If made by
6 individuals or a partnership, it shall be signed and verified
7 under oath by at least 2 of such individuals or members of such
8 partnership as the case may be. If made by an association,
9 corporation, corporate trustee or any other entity, it shall be
10 signed by the president and attested by the secretary or
11 assistant secretary under the seal of such association, trust
12 or corporation if it has a seal, and shall also be verified
13 under oath by one of the signing officers.

14 (c) The application shall specify the name of the persons,
15 association, trust, or corporation making such application and
16 the post office address of the applicant; if the applicant is a
17 trustee, the names and addresses of the beneficiaries; if a
18 corporation, the names and post office addresses of all
19 officers, stockholders and directors; or if such stockholders
20 hold stock as a nominee or fiduciary, the names and post office
21 addresses of these persons, partnerships, corporations, or
22 trusts who are the beneficial owners thereof or who are
23 beneficially interested therein; and if a partnership, the
24 names and post office addresses of all partners, general or
25 limited; if the applicant is a corporation, the name of the
26 state of its incorporation shall be specified.

1 (d) The applicant shall execute and file with the Board a
2 good faith affirmative action plan to recruit, train, and
3 upgrade minorities in all classifications within the
4 association.

5 (e) With such application there shall be delivered to the
6 Board a certified check or bank draft payable to the order of
7 the Board for an amount equal to \$1,000. All applications for
8 the issuance of an organization license shall be filed with the
9 Board before August 1 of the year prior to the year for which
10 application is made and shall be acted upon by the Board at a
11 meeting to be held on such date as shall be fixed by the Board
12 during the last 15 days of September of such prior year. At
13 such meeting, the Board shall announce the award of the racing
14 meets, live racing schedule, and designation of host track to
15 the applicants and its approval or disapproval of each
16 application. No announcement shall be considered binding until
17 a formal order is executed by the Board, which shall be
18 executed no later than October 15 of that prior year. Absent
19 the agreement of the affected organization licensees, the Board
20 shall not grant overlapping race meetings to 2 or more tracks
21 that are within 100 miles of each other to conduct the
22 thoroughbred racing.

23 (e-1) In awarding racing dates for calendar year 2008 and
24 thereafter, the Board shall award at least 625 racing days. In
25 awarding racing dates under this subsection (e-1), the Board
26 shall have the discretion to allocate those racing dates among

1 organization licensees. Of the total racing days awarded, the
2 Board must reserve an amount of racing days to standardbred
3 races in an amount equal to 90% of the amount of days awarded
4 to standardbred races in calendar year 2007. Each racing day
5 awarded for standardbred races must be comprised of at least 12
6 races, with not less than 8 horses competing per race.

7 (e-2) In each county in which an organization licensee is
8 located, the Board shall award a minimum total of 25
9 standardbred racing dates to one or more organization
10 licensees.

11 (e-3) The Board may waive the requirements of subsection
12 (e-1) only if a lesser schedule of live racing is appropriate
13 because of (A) weather or unsafe track conditions due to acts
14 of God; (B) an agreement between the organization licensee and
15 the associations representing the largest number of owners,
16 trainers, jockeys, or standardbred drivers who race horses at
17 that organization licensee's racing meeting; or (C) a finding
18 by the Board of extraordinary circumstances and that it was in
19 the best interest of the public and the sport to conduct fewer
20 days of live racing.

21 (e-4) For each calendar year after 2007 in which an
22 electronic gaming licensee requests a number of racing days
23 under its organization license that is less than 90% of the
24 number of days of live racing it was awarded in 2007, the
25 electronic gaming licensee may not conduct electronic gaming.

26 (e-5) In reviewing an application for the purpose of

1 granting an organization license consistent with the best
2 interests of the public and the sport of horse racing, the
3 Board shall consider:

4 (1) the character, reputation, experience, and
5 financial integrity of the applicant and of any other
6 separate person that either:

7 (i) controls the applicant, directly or
8 indirectly, or

9 (ii) is controlled, directly or indirectly, by
10 that applicant or by a person who controls, directly or
11 indirectly, that applicant;

12 (2) the applicant's facilities or proposed facilities
13 for conducting horse racing;

14 (3) the total revenue without regard to Section 32.1 to
15 be derived by the State and horsemen from the applicant's
16 conducting a race meeting;

17 (4) the applicant's good faith affirmative action plan
18 to recruit, train, and upgrade minorities in all employment
19 classifications;

20 (5) the applicant's financial ability to purchase and
21 maintain adequate liability and casualty insurance;

22 (6) the applicant's proposed and prior year's
23 promotional and marketing activities and expenditures of
24 the applicant associated with those activities;

25 (7) an agreement, if any, among organization licensees
26 as provided in subsection (b) of Section 21 of this Act;

1 and

2 (8) the extent to which the applicant exceeds or meets
3 other standards for the issuance of an organization license
4 that the Board shall adopt by rule.

5 In granting organization licenses and allocating dates for
6 horse race meetings, the Board shall have discretion to
7 determine an overall schedule, including required simulcasts
8 of Illinois races by host tracks that will, in its judgment, be
9 conducive to the best interests of the public and the sport of
10 horse racing.

11 (e-10) The Illinois Administrative Procedure Act shall
12 apply to administrative procedures of the Board under this Act
13 for the granting of an organization license, except that (1)
14 notwithstanding the provisions of subsection (b) of Section
15 10-40 of the Illinois Administrative Procedure Act regarding
16 cross-examination, the Board may prescribe rules limiting the
17 right of an applicant or participant in any proceeding to award
18 an organization license to conduct cross-examination of
19 witnesses at that proceeding where that cross-examination
20 would unduly obstruct the timely award of an organization
21 license under subsection (e) of Section 20 of this Act; (2) the
22 provisions of Section 10-45 of the Illinois Administrative
23 Procedure Act regarding proposals for decision are excluded
24 under this Act; (3) notwithstanding the provisions of
25 subsection (a) of Section 10-60 of the Illinois Administrative
26 Procedure Act regarding ex parte communications, the Board may

1 prescribe rules allowing ex parte communications with
2 applicants or participants in a proceeding to award an
3 organization license where conducting those communications
4 would be in the best interest of racing, provided all those
5 communications are made part of the record of that proceeding
6 pursuant to subsection (c) of Section 10-60 of the Illinois
7 Administrative Procedure Act; (4) the provisions of Section 14a
8 of this Act and the rules of the Board promulgated under that
9 Section shall apply instead of the provisions of Article 10 of
10 the Illinois Administrative Procedure Act regarding
11 administrative law judges; and (5) the provisions of subsection
12 (d) of Section 10-65 of the Illinois Administrative Procedure
13 Act that prevent summary suspension of a license pending
14 revocation or other action shall not apply.

15 (f) The Board may allot racing dates to an organization
16 licensee for more than one calendar year but for no more than 3
17 successive calendar years in advance, provided that the Board
18 shall review such allotment for more than one calendar year
19 prior to each year for which such allotment has been made. The
20 granting of an organization license to a person constitutes a
21 privilege to conduct a horse race meeting under the provisions
22 of this Act, and no person granted an organization license
23 shall be deemed to have a vested interest, property right, or
24 future expectation to receive an organization license in any
25 subsequent year as a result of the granting of an organization
26 license. Organization licenses shall be subject to revocation

1 if the organization licensee has violated any provision of this
2 Act or the rules and regulations promulgated under this Act or
3 has been convicted of a crime or has failed to disclose or has
4 stated falsely any information called for in the application
5 for an organization license. Any organization license
6 revocation proceeding shall be in accordance with Section 16
7 regarding suspension and revocation of occupation licenses.

8 (f-5) If, (i) an applicant does not file an acceptance of
9 the racing dates awarded by the Board as required under part
10 (1) of subsection (h) of this Section 20, or (ii) an
11 organization licensee has its license suspended or revoked
12 under this Act, the Board, upon conducting an emergency hearing
13 as provided for in this Act, may reaward on an emergency basis
14 pursuant to rules established by the Board, racing dates not
15 accepted or the racing dates associated with any suspension or
16 revocation period to one or more organization licensees, new
17 applicants, or any combination thereof, upon terms and
18 conditions that the Board determines are in the best interest
19 of racing, provided, the organization licensees or new
20 applicants receiving the awarded racing dates file an
21 acceptance of those reawarded racing dates as required under
22 paragraph (1) of subsection (h) of this Section 20 and comply
23 with the other provisions of this Act. The Illinois
24 Administrative Procedures Act shall not apply to the
25 administrative procedures of the Board in conducting the
26 emergency hearing and the reallocation of racing dates on an

1 emergency basis.

2 (g) (Blank).

3 (h) The Board shall send the applicant a copy of its
4 formally executed order by certified mail addressed to the
5 applicant at the address stated in his application, which
6 notice shall be mailed within 5 days of the date the formal
7 order is executed.

8 Each applicant notified shall, within 10 days after receipt
9 of the final executed order of the Board awarding racing dates:

10 (1) file with the Board an acceptance of such award in
11 the form prescribed by the Board;

12 (2) pay to the Board an additional amount equal to \$110
13 for each racing date awarded; and

14 (3) file with the Board the bonds required in Sections
15 21 and 25 at least 20 days prior to the first day of each
16 race meeting.

17 Upon compliance with the provisions of paragraphs (1), (2), and
18 (3) of this subsection (h), the applicant shall be issued an
19 organization license.

20 If any applicant fails to comply with this Section or fails
21 to pay the organization license fees herein provided, no
22 organization license shall be issued to such applicant.

23 (Source: P.A. 91-40, eff. 6-25-99.)

24 (230 ILCS 5/21.5 new)

25 Sec. 21.5. License fees; deposit.

1 (a) The Board shall annually determine the annual cost of
2 maintaining control and regulatory activities contemplated by
3 this Act for each individual licensee. The Office of Gaming
4 Enforcement shall certify to the Board actual and prospective
5 costs of the investigative and enforcement functions of the
6 Office. These costs, together with the general operating
7 expenses of the Board, shall be the basis for the fee imposed
8 on each licensee. Each individual licensee's fees shall be
9 based upon proportionate costs for each individual licensee.

10 (b) Upon issuance or the first renewal of an organization
11 license after the effective date of this amendatory Act of the
12 95th General Assembly, an organization licensee shall deposit
13 \$100,000 into a fund held by the Director of the Office of
14 Gaming Enforcement separate from State moneys. The moneys in
15 the fund shall be used by the Director of the Office of Gaming
16 Enforcement for the purpose of conducting any investigation
17 concerning that licensee. Upon each subsequent renewal of an
18 organization license, the organization licensee shall deposit
19 the amount necessary to bring the moneys in the fund
20 attributable to that licensee to \$100,000.

21 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

22 Sec. 25. Admission fee.

23 (a) There shall be paid to the Board at such time or times
24 as it shall prescribe, the sum of fifteen cents (15¢) for each
25 person entering the grounds or enclosure of each organization

1 licensee and inter-track wagering licensee upon a ticket of
2 admission except as provided in subsection (b) of this Section
3 and subsection (g) of Section 27 of this Act. If tickets are
4 issued for more than one day then the sum of fifteen cents
5 (15¢) shall be paid for each person using such ticket on each
6 day that the same shall be used. Provided, however, that no
7 charge shall be made on tickets of admission issued to and in
8 the name of directors, officers, agents or employees of the
9 organization licensee, or inter-track wagering licensee, or to
10 owners, trainers, jockeys, drivers and their employees or to
11 any person or persons entering the grounds or enclosure for the
12 transaction of business in connection with such race meeting.
13 The organization licensee or inter-track wagering licensee
14 may, if it desires, collect such amount from each ticket holder
15 in addition to the amount or amounts charged for such ticket of
16 admission.

17 Accurate records and books shall at all times be kept and
18 maintained by the organization licensees and inter-track
19 wagering licensees showing the admission tickets issued and
20 used on each racing day and the attendance thereat of each
21 horse racing meeting. The Board or its duly authorized
22 representative or representatives shall at all reasonable
23 times have access to the admission records of any organization
24 licensee and inter-track wagering licensee for the purpose of
25 examining and checking the same and ascertaining whether or not
26 the proper amount has been or is being paid the State of

1 Illinois as herein provided. The Board shall also require,
2 before issuing any license, that the licensee shall execute and
3 deliver to it a bond, payable to the State of Illinois, in such
4 sum as it shall determine, not, however, in excess of fifty
5 thousand dollars (\$50,000), with a surety or sureties to be
6 approved by it, conditioned for the payment of all sums due and
7 payable or collected by it under this Section upon admission
8 fees received for any particular racing meetings. The Board may
9 also from time to time require sworn statements of the number
10 or numbers of such admissions and may prescribe blanks upon
11 which such reports shall be made. Any organization licensee or
12 inter-track wagering licensee failing or refusing to pay the
13 amount found to be due as herein provided, shall be deemed
14 guilty of a business offense and upon conviction shall be
15 punished by a fine of not more than five thousand dollars
16 (\$5,000) in addition to the amount due from such organization
17 licensee or inter-track wagering licensee as herein provided.
18 All fines paid into court by an organization licensee or
19 inter-track wagering licensee found guilty of violating this
20 Section shall be transmitted and paid over by the clerk of the
21 court to the Board.

22 (b) A person who exits the grounds or enclosure of each
23 organization licensee and inter-track wagering licensee and
24 reenters such grounds or enclosure within the same day shall be
25 subject to only the initial admissions tax.

26 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

1 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

2 Sec. 26. Wagering.

3 (a) Any licensee may conduct and supervise the pari-mutuel
4 system of wagering, as defined in Section 3.12 of this Act, on
5 horse races conducted by an Illinois organization licensee or
6 conducted at a racetrack located in another state or country
7 and televised in Illinois in accordance with subsection (g) of
8 Section 26 of this Act. Subject to the prior consent of the
9 Board, licensees may supplement any pari-mutuel pool in order
10 to guarantee a minimum distribution. Such pari-mutuel method of
11 wagering shall not, under any circumstances if conducted under
12 the provisions of this Act, be held or construed to be
13 unlawful, other statutes of this State to the contrary
14 notwithstanding. Subject to rules for advance wagering
15 promulgated by the Board, any licensee may accept wagers in
16 advance of the day of the race wagered upon occurs.

17 (b) Except as otherwise provided in Section 56, no other
18 method of betting, pool making, wagering or gambling shall be
19 used or permitted by the licensee. Each licensee may retain,
20 subject to the payment of all applicable taxes and purses, an
21 amount not to exceed 17% of all money wagered under subsection
22 (a) of this Section, except as may otherwise be permitted under
23 this Act.

24 (b-5) An individual may place a wager under the pari-mutuel
25 system from any licensed location authorized under this Act

1 provided that wager is electronically recorded in the manner
2 described in Section 3.12 of this Act. Any wager made
3 electronically by an individual while physically on the
4 premises of a licensee shall be deemed to have been made at the
5 premises of that licensee.

6 (c) Until January 1, 2000, the sum held by any licensee for
7 payment of outstanding pari-mutuel tickets, if unclaimed prior
8 to December 31 of the next year, shall be retained by the
9 licensee for payment of such tickets until that date. Within 10
10 days thereafter, the balance of such sum remaining unclaimed,
11 less any uncashed supplements contributed by such licensee for
12 the purpose of guaranteeing minimum distributions of any
13 pari-mutuel pool, shall be paid to the Illinois Veterans'
14 Rehabilitation Fund of the State treasury, except as provided
15 in subsection (g) of Section 27 of this Act.

16 (c-5) Beginning January 1, 2000, the sum held by any
17 licensee for payment of outstanding pari-mutuel tickets, if
18 unclaimed prior to December 31 of the next year, shall be
19 retained by the licensee for payment of such tickets until that
20 date; except that the balance of the sum of all outstanding
21 pari-mutuel tickets generated from simulcast wagering by an
22 organization licensee located in Madison County or any licensee
23 that derives its license from that organization licensee shall
24 be evenly distributed between the organization licensee and the
25 purse account of the organization licensee. Additionally, the
26 balance of the sum of all outstanding pari-mutuel tickets

1 generated from inter-track wagering from an organization
2 licensee located in Madison County shall be evenly distributed
3 between the purse account of the organization licensee from
4 which the inter-track wagering licensee and the inter-track
5 wagering location licensee derive their licenses and the
6 organization licensee. Within 10 days thereafter, the balance
7 of such sum remaining unclaimed, less any uncashed supplements
8 contributed by such licensee for the purpose of guaranteeing
9 minimum distributions of any pari-mutuel pool, shall be evenly
10 distributed to the purse account of the organization licensee
11 and the organization licensee.

12 (d) A pari-mutuel ticket shall be honored until December 31
13 of the next calendar year, and the licensee shall pay the same
14 and may charge the amount thereof against unpaid money
15 similarly accumulated on account of pari-mutuel tickets not
16 presented for payment.

17 (e) No licensee shall knowingly permit any minor, other
18 than an employee of such licensee or an owner, trainer, jockey,
19 driver, or employee thereof, to be admitted during a racing
20 program unless accompanied by a parent or guardian, or any
21 minor to be a patron of the pari-mutuel system of wagering
22 conducted or supervised by it. The admission of any
23 unaccompanied minor, other than an employee of the licensee or
24 an owner, trainer, jockey, driver, or employee thereof at a
25 race track is a Class C misdemeanor.

26 (f) Notwithstanding the other provisions of this Act, an

1 organization licensee may contract with an entity in another
2 state or country to permit any legal wagering entity in another
3 state or country to accept wagers solely within such other
4 state or country on races conducted by the organization
5 licensee in this State. Beginning January 1, 2000, these wagers
6 shall not be subject to State taxation. Until January 1, 2000,
7 when the out-of-State entity conducts a pari-mutuel pool
8 separate from the organization licensee, a privilege tax equal
9 to 7 1/2% of all monies received by the organization licensee
10 from entities in other states or countries pursuant to such
11 contracts is imposed on the organization licensee, and such
12 privilege tax shall be remitted to the Department of Revenue
13 within 48 hours of receipt of the moneys from the simulcast.
14 When the out-of-State entity conducts a combined pari-mutuel
15 pool with the organization licensee, the tax shall be 10% of
16 all monies received by the organization licensee with 25% of
17 the receipts from this 10% tax to be distributed to the county
18 in which the race was conducted.

19 An organization licensee may permit one or more of its
20 races to be utilized for pari-mutuel wagering at one or more
21 locations in other states and may transmit audio and visual
22 signals of races the organization licensee conducts to one or
23 more locations outside the State or country and may also permit
24 pari-mutuel pools in other states or countries to be combined
25 with its gross or net wagering pools or with wagering pools
26 established by other states.

1 (g) A host track may accept interstate simulcast wagers on
2 horse races conducted in other states or countries and shall
3 control the number of signals and types of breeds of racing in
4 its simulcast program, subject to the disapproval of the Board.
5 The Board may prohibit a simulcast program only if it finds
6 that the simulcast program is clearly adverse to the integrity
7 of racing. The host track simulcast program shall include the
8 signal of live racing of all organization licensees. All
9 non-host licensees and advance deposit wagering licensees
10 shall carry the signal of and accept wagers on live racing of
11 all organization licensees. Advance deposit wagering licensees
12 shall not be permitted to accept out-of-state wagers on any
13 Illinois signal provided pursuant to this Section without the
14 approval and consent of the organization licensee providing the
15 signal. Non-host licensees may carry the host track simulcast
16 program and shall accept wagers on all races included as part
17 of the simulcast program upon which wagering is permitted. All
18 organization licensees shall provide their live signal to all
19 advance deposit wagering licensees for a simulcast commission
20 fee not to exceed 6% of the advance deposit wagering licensee's
21 Illinois handle on the organization licensee's signal without
22 prior approval by the Board. The Board may adopt rules under
23 which it may permit simulcast commission fees in excess of 6%.
24 However, organization licensees providing live signals
25 pursuant to the requirements of this subsection (g) may
26 petition the Board to withhold their live signals from an

1 advance deposit wagering licensee if the organization licensee
2 discovers and the Board finds reputable or credible information
3 that the advance deposit wagering licensee is under
4 investigation by another state or federal governmental agency,
5 the advance deposit wagering licensee's license has been
6 suspended in another state, or the advance deposit wagering
7 licensee's license is in revocation proceedings in another
8 state. The organization licensee's provision of their live
9 signal to an advance deposit wagering licensee under this
10 subsection (g) pertains to wagers placed from within Illinois.

11 The costs and expenses of the host track and non-host licensees
12 associated with interstate simulcast wagering, other than the
13 interstate commission fee, shall be borne by the host track and
14 all non-host licensees incurring these costs. The interstate
15 commission fee shall not exceed 5% of Illinois handle on the
16 interstate simulcast race or races without prior approval of
17 the Board. The Board shall promulgate rules under which it may
18 permit interstate commission fees in excess of 5%. The
19 interstate commission fee and other fees charged by the sending
20 racetrack, including, but not limited to, satellite decoder
21 fees, shall be uniformly applied to the host track and all
22 non-host licensees.

23 Notwithstanding any other provision of this Act and with
24 the consent of the horsemen association representing the
25 largest number of owners, trainers, jockeys, or standardbred
26 drivers who race horses at that organization licensee's racing

1 meeting, an organization licensee may maintain a system whereby
2 advance deposit wagering may take place or may contract with
3 another person to carry out a system of advance deposit
4 wagering. Any modifications or renegotiations to a contract
5 entered into under this subsection shall also be subject to the
6 consent of that horsemen association. All advance deposit
7 wagers placed from within Illinois must be placed through a
8 Board-approved advance deposit wagering licensee; no other
9 entity may accept an advance deposit wager from a person within
10 Illinois. All advance deposit wagering is subject to any rules
11 adopted by the Board. The Board may adopt rules necessary to
12 regulate advance deposit wagering through the use of emergency
13 rulemaking in accordance with Section 5-45 of the Illinois
14 Administrative Procedure Act. The General Assembly finds that
15 the adoption of rules to regulate advance deposit wagering is
16 deemed an emergency and necessary for the public interest,
17 safety, and welfare. After payment of the State pari-mutuel
18 tax, an advance deposit wagering licensee may retain all moneys
19 as agreed to by contract with an organization licensee. Any
20 moneys retained by the organization licensee from advance
21 deposit wagering, not including moneys retained by the advance
22 deposit wagering licensee, shall be paid 50% to the
23 organization licensee's purse account, with the purse account
24 share for races that start on or after 6:30 a.m. but before
25 6:30 p.m. Illinois time allocated to thoroughbred purses and
26 the purse account share for races that start on or after 6:30

1 p.m. but before 6:30 a.m. Illinois time allocated to
2 standardbred purses, and 50% to the organization licensee. All
3 breakage from advance deposit wagering shall be allocated as
4 provided in Section 26.1. To the extent any fees from advance
5 deposit wagering conducted in Illinois for wagers in Illinois
6 or other states have been placed in escrow or otherwise
7 withheld from wagers pending a determination of the legality of
8 advance deposit wagering, no action shall be brought to declare
9 such wagers or the disbursement of any fees previously escrowed
10 illegal.

11 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
12 intertrack wagering licensee other than the host track may
13 supplement the host track simulcast program with
14 additional simulcast races or race programs, provided that
15 between January 1 and the third Friday in February of any
16 year, inclusive, if no live thoroughbred racing is
17 occurring in Illinois during this period, only
18 thoroughbred races may be used for supplemental interstate
19 simulcast purposes. The Board shall withhold approval for a
20 supplemental interstate simulcast only if it finds that the
21 simulcast is clearly adverse to the integrity of racing. A
22 supplemental interstate simulcast may be transmitted from
23 an intertrack wagering licensee to its affiliated non-host
24 licensees. The interstate commission fee for a
25 supplemental interstate simulcast shall be paid by the
26 non-host licensee and its affiliated non-host licensees

1 receiving the simulcast.

2 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
3 intertrack wagering licensee other than the host track may
4 receive supplemental interstate simulcasts only with the
5 consent of the host track, except when the Board finds that
6 the simulcast is clearly adverse to the integrity of
7 racing. Consent granted under this paragraph (2) to any
8 intertrack wagering licensee shall be deemed consent to all
9 non-host licensees. The interstate commission fee for the
10 supplemental interstate simulcast shall be paid by all
11 participating non-host licensees.

12 (3) Each licensee conducting interstate simulcast
13 wagering may retain, subject to the payment of all
14 applicable taxes and the purses, an amount not to exceed
15 17% of all money wagered. If any licensee conducts the
16 pari-mutuel system wagering on races conducted at
17 racetracks in another state or country, each such race or
18 race program shall be considered a separate racing day for
19 the purpose of determining the daily handle and computing
20 the privilege tax of that daily handle as provided in
21 subsection (a) of Section 27. Until January 1, 2000, from
22 the sums permitted to be retained pursuant to this
23 subsection, each intertrack wagering location licensee
24 shall pay 1% of the pari-mutuel handle wagered on simulcast
25 wagering to the Horse Racing Tax Allocation Fund, subject
26 to the provisions of subparagraph (B) of paragraph (11) of

1 subsection (h) of Section 26 of this Act.

2 (4) A licensee who receives an interstate simulcast may
3 combine its gross or net pools with pools at the sending
4 racetracks pursuant to rules established by the Board. All
5 licensees combining their gross pools at a sending
6 racetrack shall adopt the take-out percentages of the
7 sending racetrack. A licensee may also establish a separate
8 pool and takeout structure for wagering purposes on races
9 conducted at race tracks outside of the State of Illinois.
10 The licensee may permit pari-mutuel wagers placed in other
11 states or countries to be combined with its gross or net
12 wagering pools or other wagering pools.

13 (5) After the payment of the interstate commission fee
14 (except for the interstate commission fee on a supplemental
15 interstate simulcast, which shall be paid by the host track
16 and by each non-host licensee through the host-track) and
17 all applicable State and local taxes, except as provided in
18 subsection (g) of Section 27 of this Act, the remainder of
19 moneys retained from simulcast wagering pursuant to this
20 subsection (g), and Section 26.2 shall be divided as
21 follows:

22 (A) For interstate simulcast wagers made at a host
23 track, 50% to the host track and 50% to purses at the
24 host track.

25 (B) For wagers placed on interstate simulcast
26 races, supplemental simulcasts as defined in

1 subparagraphs (1) and (2), and separately pooled races
2 conducted outside of the State of Illinois made at a
3 non-host licensee, 25% to the host track, 25% to the
4 non-host licensee, and 50% to the purses at the host
5 track.

6 (6) Notwithstanding any provision in this Act to the
7 contrary, non-host licensees who derive their licenses
8 from a track located in a county with a population in
9 excess of 230,000 and that borders the Mississippi River
10 may receive supplemental interstate simulcast races at all
11 times subject to Board approval, which shall be withheld
12 only upon a finding that a supplemental interstate
13 simulcast is clearly adverse to the integrity of racing.

14 (7) Notwithstanding any provision of this Act to the
15 contrary, after payment of all applicable State and local
16 taxes and interstate commission fees, non-host licensees
17 who derive their licenses from a track located in a county
18 with a population in excess of 230,000 and that borders the
19 Mississippi River shall retain 50% of the retention from
20 interstate simulcast wagers and shall pay 50% to purses at
21 the track from which the non-host licensee derives its
22 license as follows:

23 (A) Between January 1 and the third Friday in
24 February, inclusive, if no live thoroughbred racing is
25 occurring in Illinois during this period, when the
26 interstate simulcast is a standardbred race, the purse

1 share to its standardbred purse account;

2 (B) Between January 1 and the third Friday in
3 February, inclusive, if no live thoroughbred racing is
4 occurring in Illinois during this period, and the
5 interstate simulcast is a thoroughbred race, the purse
6 share to its interstate simulcast purse pool to be
7 distributed under paragraph (10) of this subsection
8 (g);

9 (C) Between January 1 and the third Friday in
10 February, inclusive, if live thoroughbred racing is
11 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
12 the purse share from wagers made during this time
13 period to its thoroughbred purse account and between
14 6:30 p.m. and 6:30 a.m. the purse share from wagers
15 made during this time period to its standardbred purse
16 accounts;

17 (D) Between the third Saturday in February and
18 December 31, when the interstate simulcast occurs
19 between the hours of 6:30 a.m. and 6:30 p.m., the purse
20 share to its thoroughbred purse account;

21 (E) Between the third Saturday in February and
22 December 31, when the interstate simulcast occurs
23 between the hours of 6:30 p.m. and 6:30 a.m., the purse
24 share to its standardbred purse account.

25 (7.1) Notwithstanding any other provision of this Act
26 to the contrary, if no standardbred racing is conducted at

1 a racetrack located in Madison County during any calendar
2 year beginning on or after January 1, 2002, all moneys
3 derived by that racetrack from simulcast wagering and
4 inter-track wagering that (1) are to be used for purses and
5 (2) are generated between the hours of 6:30 p.m. and 6:30
6 a.m. during that calendar year shall be paid as follows:

7 (A) If the licensee that conducts horse racing at
8 that racetrack requests from the Board at least as many
9 racing dates as were conducted in calendar year 2000,
10 80% shall be paid to its thoroughbred purse account;
11 and

12 (B) Twenty percent shall be deposited into the
13 Illinois Colt Stakes Purse Distribution Fund and shall
14 be paid to purses for standardbred races for Illinois
15 conceived and foaled horses conducted at any county
16 fairgrounds. The moneys deposited into the Fund
17 pursuant to this subparagraph (B) shall be deposited
18 within 2 weeks after the day they were generated, shall
19 be in addition to and not in lieu of any other moneys
20 paid to standardbred purses under this Act, and shall
21 not be commingled with other moneys paid into that
22 Fund. The moneys deposited pursuant to this
23 subparagraph (B) shall be allocated as provided by the
24 Department of Agriculture, with the advice and
25 assistance of the Illinois Standardbred Breeders Fund
26 Advisory Board.

1 (7.2) Notwithstanding any other provision of this Act
2 to the contrary, if no thoroughbred racing is conducted at
3 a racetrack located in Madison County during any calendar
4 year beginning on or after January 1, 2002, all moneys
5 derived by that racetrack from simulcast wagering and
6 inter-track wagering that (1) are to be used for purses and
7 (2) are generated between the hours of 6:30 a.m. and 6:30
8 p.m. during that calendar year shall be deposited as
9 follows:

10 (A) If the licensee that conducts horse racing at
11 that racetrack requests from the Board at least as many
12 racing dates as were conducted in calendar year 2000,
13 80% shall be deposited into its standardbred purse
14 account; and

15 (B) Twenty percent shall be deposited into the
16 Illinois Colt Stakes Purse Distribution Fund. Moneys
17 deposited into the Illinois Colt Stakes Purse
18 Distribution Fund pursuant to this subparagraph (B)
19 may be used (i) at the discretion of the Department,
20 for drug testing as authorized in Section 34.3 of this
21 Act and for distribution to Illinois county fairs to
22 supplement premiums offered in junior classes and (ii)
23 by the Department of Agriculture for the purposes
24 identified in paragraphs (2), (2.5), (4), (4.1), (6),
25 (7), (8), and (9) of subsection (g) of Section 30,
26 subsection (e) of Section 30.5, paragraphs (1), (2),

1 (3), (5), and (8) of subsection (g) of Section 31, and
2 for standardbred bonus programs for owners of horses
3 that win multiple stakes races that are limited to
4 Illinois conceived and foaled horses. Any balance
5 shall be paid to Illinois conceived and foaled
6 thoroughbred breeders' programs and to thoroughbred
7 purses for races conducted at any county fairgrounds
8 for Illinois conceived and foaled horses at the
9 discretion of the Department of Agriculture, with the
10 advice and assistance of the Illinois Thoroughbred
11 Breeders Fund Advisory Board. The moneys deposited
12 into the Illinois Colt Stakes Purse Distribution Fund
13 pursuant to this subparagraph (B) shall be deposited
14 within 2 weeks after the day they were generated, shall
15 be in addition to and not in lieu of any other moneys
16 paid to thoroughbred purses under this Act, and shall
17 not be commingled with other moneys deposited into that
18 Fund. The Illinois Colt Stakes Purse Distribution Fund
19 is a non-appropriated trust fund. The Illinois Colt
20 Stakes Purse Distribution Fund shall not be subject to
21 sweeps, administrative charges, or charge backs,
22 including, but not limited to, those authorized under
23 Section 8h of the State Finance Act, or any other
24 fiscal or budgetary maneuver that would in any way
25 transfer any funds from the Illinois Colt Stakes Purse
26 Distribution Fund into any other fund of the State.

1 (7.3) If no live standardbred racing is conducted at a
2 racetrack located in Madison County in calendar year 2000
3 or 2001, an organization licensee who is licensed to
4 conduct horse racing at that racetrack shall, before
5 January 1, 2002, pay all moneys derived from simulcast
6 wagering and inter-track wagering in calendar years 2000
7 and 2001 and paid into the licensee's standardbred purse
8 account as follows:

9 (A) Eighty percent to that licensee's thoroughbred
10 purse account to be used for thoroughbred purses; and

11 (B) Twenty percent to the Illinois Colt Stakes
12 Purse Distribution Fund.

13 Failure to make the payment to the Illinois Colt Stakes
14 Purse Distribution Fund before January 1, 2002 shall result
15 in the immediate revocation of the licensee's organization
16 license, inter-track wagering license, and inter-track
17 wagering location license.

18 Moneys paid into the Illinois Colt Stakes Purse
19 Distribution Fund pursuant to this paragraph (7.3) shall be
20 paid to purses for standardbred races for Illinois
21 conceived and foaled horses conducted at any county
22 fairgrounds. Moneys paid into the Illinois Colt Stakes
23 Purse Distribution Fund pursuant to this paragraph (7.3)
24 shall be used as determined by the Department of
25 Agriculture, with the advice and assistance of the Illinois
26 Standardbred Breeders Fund Advisory Board, shall be in

1 addition to and not in lieu of any other moneys paid to
2 standardbred purses under this Act, and shall not be
3 commingled with any other moneys paid into that Fund.

4 (7.4) If live standardbred racing is conducted at a
5 racetrack located in Madison County at any time in calendar
6 year 2001 before the payment required under paragraph (7.3)
7 has been made, the organization licensee who is licensed to
8 conduct racing at that racetrack shall pay all moneys
9 derived by that racetrack from simulcast wagering and
10 inter-track wagering during calendar years 2000 and 2001
11 that (1) are to be used for purses and (2) are generated
12 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
13 2001 to the standardbred purse account at that racetrack to
14 be used for standardbred purses.

15 (7.5) Notwithstanding any provision of this Act to the
16 contrary, if live standardbred racing and live
17 thoroughbred racing are both conducted at a racetrack
18 located in Madison County at any time in a calendar year,
19 all moneys derived by that racetrack from simulcast
20 wagering and inter-track wagering between the hours of 6:30
21 p.m. and 6:30 a.m. that are to be used for purses shall be
22 deposited as follows: 70% shall be paid to its thoroughbred
23 purse account and 30% shall be paid to its standardbred
24 purse account.

25 (8) Notwithstanding any provision in this Act to the
26 contrary, an organization licensee from a track located in

1 a county with a population in excess of 230,000 and that
2 borders the Mississippi River and its affiliated non-host
3 licensees shall not be entitled to share in any retention
4 generated on racing, inter-track wagering, or simulcast
5 wagering at any other Illinois wagering facility.

6 (8.1) Notwithstanding any provisions in this Act to the
7 contrary, if 2 organization licensees are conducting
8 standardbred race meetings concurrently between the hours
9 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
10 State and local taxes and interstate commission fees, the
11 remainder of the amount retained from simulcast wagering
12 otherwise attributable to the host track and to host track
13 purses shall be split daily between the 2 organization
14 licensees and the purses at the tracks of the 2
15 organization licensees, respectively, based on each
16 organization licensee's share of the total live handle for
17 that day, provided that this provision shall not apply to
18 any non-host licensee that derives its license from a track
19 located in a county with a population in excess of 230,000
20 and that borders the Mississippi River.

21 (9) (Blank).

22 (10) (Blank).

23 (11) (Blank).

24 (12) The Board shall have authority to compel all host
25 tracks to receive the simulcast of any or all races
26 conducted at the Springfield or DuQuoin State fairgrounds

1 and include all such races as part of their simulcast
2 programs.

3 (13) Notwithstanding any other provision of this Act,
4 in the event that the total Illinois pari-mutuel handle on
5 Illinois horse races at all wagering facilities in any
6 calendar year is less than 75% of the total Illinois
7 pari-mutuel handle on Illinois horse races at all such
8 wagering facilities for calendar year 1994, then each
9 wagering facility that has an annual total Illinois
10 pari-mutuel handle on Illinois horse races that is less
11 than 75% of the total Illinois pari-mutuel handle on
12 Illinois horse races at such wagering facility for calendar
13 year 1994, shall be permitted to receive, from any amount
14 otherwise payable to the purse account at the race track
15 with which the wagering facility is affiliated in the
16 succeeding calendar year, an amount equal to 2% of the
17 differential in total Illinois pari-mutuel handle on
18 Illinois horse races at the wagering facility between that
19 calendar year in question and 1994 provided, however, that
20 a wagering facility shall not be entitled to any such
21 payment until the Board certifies in writing to the
22 wagering facility the amount to which the wagering facility
23 is entitled and a schedule for payment of the amount to the
24 wagering facility, based on: (i) the racing dates awarded
25 to the race track affiliated with the wagering facility
26 during the succeeding year; (ii) the sums available or

1 anticipated to be available in the purse account of the
2 race track affiliated with the wagering facility for purses
3 during the succeeding year; and (iii) the need to ensure
4 reasonable purse levels during the payment period. The
5 Board's certification shall be provided no later than
6 January 31 of the succeeding year. In the event a wagering
7 facility entitled to a payment under this paragraph (13) is
8 affiliated with a race track that maintains purse accounts
9 for both standardbred and thoroughbred racing, the amount
10 to be paid to the wagering facility shall be divided
11 between each purse account pro rata, based on the amount of
12 Illinois handle on Illinois standardbred and thoroughbred
13 racing respectively at the wagering facility during the
14 previous calendar year. Annually, the General Assembly
15 shall appropriate sufficient funds from the General
16 Revenue Fund to the Department of Agriculture for payment
17 into the thoroughbred and standardbred horse racing purse
18 accounts at Illinois pari-mutuel tracks. The amount paid to
19 each purse account shall be the amount certified by the
20 Illinois Racing Board in January to be transferred from
21 each account to each eligible racing facility in accordance
22 with the provisions of this Section. For the calendar year
23 in which an organization licensee that is eligible to
24 receive a payment under this paragraph (13) begins
25 conducting electronic gaming pursuant to an electronic
26 gaming license, the amount of that payment shall be reduced

1 by a percentage equal to the percentage of the year
2 remaining after the organization licensee begins
3 conducting electronic gaming pursuant to its electronic
4 gaming license. An organization licensee shall no longer be
5 able to receive payments under this paragraph (13)
6 beginning on the January 1 first occurring after the
7 licensee begins conducting electronic gaming pursuant to
8 an electronic gaming license issued under Section 7.7 of
9 the Illinois Gambling Act.

10 (h) The Board may approve and license the conduct of
11 inter-track wagering and simulcast wagering by inter-track
12 wagering licensees and inter-track wagering location licensees
13 subject to the following terms and conditions:

14 (1) Any person licensed to conduct a race meeting (i)
15 at a track where 60 or more days of racing were conducted
16 during the immediately preceding calendar year or where
17 over the 5 immediately preceding calendar years an average
18 of 30 or more days of racing were conducted annually may be
19 issued an inter-track wagering license; (ii) at a track
20 located in a county that is bounded by the Mississippi
21 River, which has a population of less than 150,000
22 according to the 1990 decennial census, and an average of
23 at least 60 days of racing per year between 1985 and 1993
24 may be issued an inter-track wagering license; or (iii) at
25 a track located in Madison County that conducted at least
26 100 days of live racing during the immediately preceding

1 calendar year may be issued an inter-track wagering
2 license, unless a lesser schedule of live racing is the
3 result of (A) weather, unsafe track conditions, or other
4 acts of God; (B) an agreement between the organization
5 licensee and the associations representing the largest
6 number of owners, trainers, jockeys, or standardbred
7 drivers who race horses at that organization licensee's
8 racing meeting; or (C) a finding by the Board of
9 extraordinary circumstances and that it was in the best
10 interest of the public and the sport to conduct fewer than
11 100 days of live racing. Any such person having operating
12 control of the racing facility may also receive up to 6
13 inter-track wagering location licenses. In no event shall
14 more than 6 inter-track wagering locations be established
15 for each eligible race track, except that an eligible race
16 track located in a county that has a population of more
17 than 230,000 and that is bounded by the Mississippi River
18 may establish up to 7 inter-track wagering locations. An
19 application for said license shall be filed with the Board
20 prior to such dates as may be fixed by the Board. With an
21 application for an inter-track wagering location license
22 there shall be delivered to the Board a certified check or
23 bank draft payable to the order of the Board for an amount
24 equal to \$500. The application shall be on forms prescribed
25 and furnished by the Board. The application shall comply
26 with all other rules, regulations and conditions imposed by

1 the Board in connection therewith.

2 (2) The Board shall examine the applications with
3 respect to their conformity with this Act and the rules and
4 regulations imposed by the Board. If found to be in
5 compliance with the Act and rules and regulations of the
6 Board, the Board may then issue a license to conduct
7 inter-track wagering and simulcast wagering to such
8 applicant. All such applications shall be acted upon by the
9 Board at a meeting to be held on such date as may be fixed
10 by the Board.

11 (3) In granting licenses to conduct inter-track
12 wagering and simulcast wagering, the Board shall give due
13 consideration to the best interests of the public, of horse
14 racing, and of maximizing revenue to the State.

15 (4) Prior to the issuance of a license to conduct
16 inter-track wagering and simulcast wagering, the applicant
17 shall file with the Board a bond payable to the State of
18 Illinois in the sum of \$50,000, executed by the applicant
19 and a surety company or companies authorized to do business
20 in this State, and conditioned upon (i) the payment by the
21 licensee of all taxes due under Section 27 or 27.1 and any
22 other monies due and payable under this Act, and (ii)
23 distribution by the licensee, upon presentation of the
24 winning ticket or tickets, of all sums payable to the
25 patrons of pari-mutuel pools.

26 (5) Each license to conduct inter-track wagering and

1 simulcast wagering shall specify the person to whom it is
2 issued, the dates on which such wagering is permitted, and
3 the track or location where the wagering is to be
4 conducted.

5 (6) All wagering under such license is subject to this
6 Act and to the rules and regulations from time to time
7 prescribed by the Board, and every such license issued by
8 the Board shall contain a recital to that effect.

9 (7) An inter-track wagering licensee or inter-track
10 wagering location licensee may accept wagers at the track
11 or location where it is licensed, or as otherwise provided
12 under this Act.

13 (8) Inter-track wagering or simulcast wagering shall
14 not be conducted at any track less than 5 miles from a
15 track at which a racing meeting is in progress.

16 (8.1) Inter-track wagering location licensees who
17 derive their licenses from a particular organization
18 licensee shall conduct inter-track wagering and simulcast
19 wagering only at locations which are either within 90 miles
20 of that race track where the particular organization
21 licensee is licensed to conduct racing, or within 135 miles
22 of that race track where the particular organization
23 licensee is licensed to conduct racing in the case of race
24 tracks in counties of less than 400,000 that were operating
25 on or before June 1, 1986. However, inter-track wagering
26 and simulcast wagering shall not be conducted by those

1 licenses at any location within 5 miles of any race track
2 at which a horse race meeting has been licensed in the
3 current year, unless the person having operating control of
4 such race track has given its written consent to such
5 inter-track wagering location licenses, which consent
6 must be filed with the Board at or prior to the time
7 application is made.

8 (8.2) Inter-track wagering or simulcast wagering shall
9 not be conducted by an inter-track wagering location
10 licensee at any location within 500 feet of an existing
11 church or existing school, nor within 500 feet of the
12 residences of more than 50 registered voters without
13 receiving written permission from a majority of the
14 registered voters at such residences. Such written
15 permission statements shall be filed with the Board. The
16 distance of 500 feet shall be measured to the nearest part
17 of any building used for worship services, education
18 programs, residential purposes, or conducting inter-track
19 wagering by an inter-track wagering location licensee, and
20 not to property boundaries. However, inter-track wagering
21 or simulcast wagering may be conducted at a site within 500
22 feet of a church, school or residences of 50 or more
23 registered voters if such church, school or residences have
24 been erected or established, or such voters have been
25 registered, after the Board issues the original
26 inter-track wagering location license at the site in

1 question. Inter-track wagering location licensees may
2 conduct inter-track wagering and simulcast wagering only
3 in areas that are zoned for commercial or manufacturing
4 purposes or in areas for which a special use has been
5 approved by the local zoning authority. However, no license
6 to conduct inter-track wagering and simulcast wagering
7 shall be granted by the Board with respect to any
8 inter-track wagering location within the jurisdiction of
9 any local zoning authority which has, by ordinance or by
10 resolution, prohibited the establishment of an inter-track
11 wagering location within its jurisdiction. However,
12 inter-track wagering and simulcast wagering may be
13 conducted at a site if such ordinance or resolution is
14 enacted after the Board licenses the original inter-track
15 wagering location licensee for the site in question.

16 (9) (Blank).

17 (10) An inter-track wagering licensee or an
18 inter-track wagering location licensee may retain, subject
19 to the payment of the privilege taxes and the purses, an
20 amount not to exceed 17% of all money wagered. Each program
21 of racing conducted by each inter-track wagering licensee
22 or inter-track wagering location licensee shall be
23 considered a separate racing day for the purpose of
24 determining the daily handle and computing the privilege
25 tax or pari-mutuel tax on such daily handle as provided in
26 Section 27.

1 (10.1) Except as provided in subsection (g) of Section
2 27 of this Act, inter-track wagering location licensees
3 shall pay 1% of the pari-mutuel handle at each location to
4 the municipality in which such location is situated and 1%
5 of the pari-mutuel handle at each location to the county in
6 which such location is situated. In the event that an
7 inter-track wagering location licensee is situated in an
8 unincorporated area of a county, such licensee shall pay 2%
9 of the pari-mutuel handle from such location to such
10 county.

11 (10.2) Notwithstanding any other provision of this
12 Act, with respect to intertrack wagering at a race track
13 located in a county that has a population of more than
14 230,000 and that is bounded by the Mississippi River ("the
15 first race track"), or at a facility operated by an
16 inter-track wagering licensee or inter-track wagering
17 location licensee that derives its license from the
18 organization licensee that operates the first race track,
19 on races conducted at the first race track or on races
20 conducted at another Illinois race track and
21 simultaneously televised to the first race track or to a
22 facility operated by an inter-track wagering licensee or
23 inter-track wagering location licensee that derives its
24 license from the organization licensee that operates the
25 first race track, those moneys shall be allocated as
26 follows:

1 (A) That portion of all moneys wagered on
2 standardbred racing that is required under this Act to
3 be paid to purses shall be paid to purses for
4 standardbred races.

5 (B) That portion of all moneys wagered on
6 thoroughbred racing that is required under this Act to
7 be paid to purses shall be paid to purses for
8 thoroughbred races.

9 (11) (A) After payment of the privilege or pari-mutuel
10 tax, any other applicable taxes, and the costs and expenses
11 in connection with the gathering, transmission, and
12 dissemination of all data necessary to the conduct of
13 inter-track wagering, the remainder of the monies retained
14 under either Section 26 or Section 26.2 of this Act by the
15 inter-track wagering licensee on inter-track wagering
16 shall be allocated with 50% to be split between the 2
17 participating licensees and 50% to purses, except that an
18 intertrack wagering licensee that derives its license from
19 a track located in a county with a population in excess of
20 230,000 and that borders the Mississippi River shall not
21 divide any remaining retention with the Illinois
22 organization licensee that provides the race or races, and
23 an intertrack wagering licensee that accepts wagers on
24 races conducted by an organization licensee that conducts a
25 race meet in a county with a population in excess of
26 230,000 and that borders the Mississippi River shall not

1 divide any remaining retention with that organization
2 licensee.

3 (B) From the sums permitted to be retained pursuant to
4 paragraph (10) of this subsection (h), this Act each
5 inter-track wagering location licensee shall pay the
6 following:

7 (i) the privilege or pari-mutuel tax to the State;

8 (ii) the following percentages ~~4.75%~~ of the
9 pari-mutuel handle on intertrack wagering at such
10 location on races as purses, except that an intertrack
11 wagering location licensee that derives its license
12 from a track located in a county with a population in
13 excess of 230,000 and that borders the Mississippi
14 River shall retain all purse moneys for its own purse
15 account consistent with distribution set forth in this
16 subsection (h), and intertrack wagering location
17 licensees that accept wagers on races conducted by an
18 organization licensee located in a county with a
19 population in excess of 230,000 and that borders the
20 Mississippi River shall distribute all purse moneys to
21 purses at the operating host track:

22 (I) until 6 months after the organizational
23 licensee from which the inter-track wagering
24 location licensee derives its license begins
25 conducting electronic gaming, 4.75%;

26 (II) beginning 6 months after the

1 organizational licensee from which the inter-track
2 wagering location licensee derives its license
3 begins conducting electronic gaming and until 12
4 months after that date, 5.75%; and

5 (III) beginning 12 months after the
6 organizational licensee from which the inter-track
7 wagering location licensee derives its license
8 begins conducting electronic gaming, 6.75%;

9 (iii) until January 1, 2000, except as provided in
10 subsection (g) of Section 27 of this Act, 1% of the
11 pari-mutuel handle wagered on inter-track wagering and
12 simulcast wagering at each inter-track wagering
13 location licensee facility to the Horse Racing Tax
14 Allocation Fund, provided that, to the extent the total
15 amount collected and distributed to the Horse Racing
16 Tax Allocation Fund under this subsection (h) during
17 any calendar year exceeds the amount collected and
18 distributed to the Horse Racing Tax Allocation Fund
19 during calendar year 1994, that excess amount shall be
20 redistributed (I) to all inter-track wagering location
21 licensees, based on each licensee's pro-rata share of
22 the total handle from inter-track wagering and
23 simulcast wagering for all inter-track wagering
24 location licensees during the calendar year in which
25 this provision is applicable; then (II) the amounts
26 redistributed to each inter-track wagering location

1 licensee as described in subpart (I) shall be further
2 redistributed as provided in subparagraph (B) of
3 paragraph (5) of subsection (g) of this Section 26
4 provided first, that the shares of those amounts, which
5 are to be redistributed to the host track or to purses
6 at the host track under subparagraph (B) of paragraph
7 (5) of subsection (g) of this Section 26 shall be
8 redistributed based on each host track's pro rata share
9 of the total inter-track wagering and simulcast
10 wagering handle at all host tracks during the calendar
11 year in question, and second, that any amounts
12 redistributed as described in part (I) to an
13 inter-track wagering location licensee that accepts
14 wagers on races conducted by an organization licensee
15 that conducts a race meet in a county with a population
16 in excess of 230,000 and that borders the Mississippi
17 River shall be further redistributed as provided in
18 subparagraphs (D) and (E) of paragraph (7) of
19 subsection (g) of this Section 26, with the portion of
20 that further redistribution allocated to purses at
21 that organization licensee to be divided between
22 standardbred purses and thoroughbred purses based on
23 the amounts otherwise allocated to purses at that
24 organization licensee during the calendar year in
25 question; and

26 (iv) the following percentages ~~8%~~ of the

1 pari-mutuel handle on inter-track wagering wagered at
2 such location to satisfy all costs and expenses of
3 conducting its wagering. The remainder of the monies
4 retained by the inter-track wagering location licensee
5 shall be allocated 40% to the location licensee and 60%
6 to the organization licensee which provides the
7 Illinois races to the location, except that an
8 intertrack wagering location licensee that derives its
9 license from a track located in a county with a
10 population in excess of 230,000 and that borders the
11 Mississippi River shall not divide any remaining
12 retention with the organization licensee that provides
13 the race or races and an intertrack wagering location
14 licensee that accepts wagers on races conducted by an
15 organization licensee that conducts a race meet in a
16 county with a population in excess of 230,000 and that
17 borders the Mississippi River shall not divide any
18 remaining retention with the organization licensee:

19 (I) until 6 months after the organizational
20 licensee from which the inter-track wagering
21 location licensee derives its license begins
22 conducting electronic gaming, 8%;

23 (II) beginning 6 months after the
24 organizational licensee from which the inter-track
25 wagering location licensee derives its license
26 begins conducting electronic gaming and until 12

1 months after that date, 7.5%; and

2 (III) beginning 12 months after the
3 organizational licensee from which the inter-track
4 wagering location licensee derives its license
5 begins conducting electronic gaming, 6.75%.

6 Notwithstanding the provisions of clauses (ii) and
7 (iv) of this paragraph, in the case of the additional
8 inter-track wagering location licenses authorized under
9 paragraph (1) of this subsection (h) by this amendatory Act
10 of 1991, those licensees shall pay the percentage of the
11 pari-mutuel handle required under clause (ii) of this
12 paragraph (B) following amounts as purses. The ~~:- during the~~
13 ~~first 12 months the licensee is in operation, 5.25% of the~~
14 ~~pari mutuel handle wagered at the location on races; during~~
15 ~~the second 12 months, 5.25%; during the third 12 months,~~
16 ~~5.75%; during the fourth 12 months, 6.25%; and during the~~
17 ~~fifth 12 months and thereafter, 6.75%. The following~~
18 ~~amounts shall be retained by the licensee shall retain the~~
19 percentage of the pari-mutuel handle required under clause
20 (iv) of this paragraph (B) to satisfy all costs and
21 expenses of conducting its wagering: ~~during the first 12~~
22 ~~months the licensee is in operation, 8.25% of the~~
23 ~~pari-mutuel handle wagered at the location; during the~~
24 ~~second 12 months, 8.25%; during the third 12 months, 7.75%;~~
25 ~~during the fourth 12 months, 7.25%; and during the fifth 12~~
26 ~~months and thereafter, 6.75%. For additional intertrack~~

1 waging location licensees authorized under Public Act
2 89-16, after all taxes are paid, of the remainder, 50%
3 shall be retained by the licensee and 50% shall be paid to
4 purses. this amendatory Act of 1995, purses for the first
5 12 months the licensee is in operation shall be 5.75% of
6 the pari mutuel wagered at the location, purses for the
7 second 12 months the licensee is in operation shall be
8 6.25%, and purses thereafter shall be 6.75%. For additional
9 intertrack location licensees authorized under this
10 amendatory Act of 1995, the licensee shall be allowed to
11 retain to satisfy all costs and expenses: 7.75% of the
12 pari-mutuel handle wagered at the location during its first
13 12 months of operation, 7.25% during its second 12 months
14 of operation, and 6.75% thereafter.

15 (C) There is hereby created the Horse Racing Tax
16 Allocation Fund which shall remain in existence until
17 December 31, 1999. Moneys remaining in the Fund after
18 December 31, 1999 shall be paid into the General Revenue
19 Fund. Until January 1, 2000, all monies paid into the Horse
20 Racing Tax Allocation Fund pursuant to this paragraph (11)
21 by inter-track wagering location licensees located in park
22 districts of 500,000 population or less, or in a
23 municipality that is not included within any park district
24 but is included within a conservation district and is the
25 county seat of a county that (i) is contiguous to the state
26 of Indiana and (ii) has a 1990 population of 88,257

1 according to the United States Bureau of the Census, and
2 operating on May 1, 1994 shall be allocated by
3 appropriation as follows:

4 Two-sevenths to the Department of Agriculture.
5 Fifty percent of this two-sevenths shall be used to
6 promote the Illinois horse racing and breeding
7 industry, and shall be distributed by the Department of
8 Agriculture upon the advice of a 9-member committee
9 appointed by the Governor consisting of the following
10 members: the Director of Agriculture, who shall serve
11 as chairman; 2 representatives of organization
12 licensees conducting thoroughbred race meetings in
13 this State, recommended by those licensees; 2
14 representatives of organization licensees conducting
15 standardbred race meetings in this State, recommended
16 by those licensees; a representative of the Illinois
17 Thoroughbred Breeders and Owners Foundation,
18 recommended by that Foundation; a representative of
19 the Illinois Standardbred Owners and Breeders
20 Association, recommended by that Association; a
21 representative of the Horsemen's Benevolent and
22 Protective Association or any successor organization
23 thereto established in Illinois comprised of the
24 largest number of owners and trainers, recommended by
25 that Association or that successor organization; and a
26 representative of the Illinois Harness Horsemen's

1 Association, recommended by that Association.
2 Committee members shall serve for terms of 2 years,
3 commencing January 1 of each even-numbered year. If a
4 representative of any of the above-named entities has
5 not been recommended by January 1 of any even-numbered
6 year, the Governor shall appoint a committee member to
7 fill that position. Committee members shall receive no
8 compensation for their services as members but shall be
9 reimbursed for all actual and necessary expenses and
10 disbursements incurred in the performance of their
11 official duties. The remaining 50% of this
12 two-sevenths shall be distributed to county fairs for
13 premiums and rehabilitation as set forth in the
14 Agricultural Fair Act;

15 Four-sevenths to park districts or municipalities
16 that do not have a park district of 500,000 population
17 or less for museum purposes (if an inter-track wagering
18 location licensee is located in such a park district)
19 or to conservation districts for museum purposes (if an
20 inter-track wagering location licensee is located in a
21 municipality that is not included within any park
22 district but is included within a conservation
23 district and is the county seat of a county that (i) is
24 contiguous to the state of Indiana and (ii) has a 1990
25 population of 88,257 according to the United States
26 Bureau of the Census, except that if the conservation

1 district does not maintain a museum, the monies shall
2 be allocated equally between the county and the
3 municipality in which the inter-track wagering
4 location licensee is located for general purposes) or
5 to a municipal recreation board for park purposes (if
6 an inter-track wagering location licensee is located
7 in a municipality that is not included within any park
8 district and park maintenance is the function of the
9 municipal recreation board and the municipality has a
10 1990 population of 9,302 according to the United States
11 Bureau of the Census); provided that the monies are
12 distributed to each park district or conservation
13 district or municipality that does not have a park
14 district in an amount equal to four-sevenths of the
15 amount collected by each inter-track wagering location
16 licensee within the park district or conservation
17 district or municipality for the Fund. Monies that were
18 paid into the Horse Racing Tax Allocation Fund before
19 the effective date of this amendatory Act of 1991 by an
20 inter-track wagering location licensee located in a
21 municipality that is not included within any park
22 district but is included within a conservation
23 district as provided in this paragraph shall, as soon
24 as practicable after the effective date of this
25 amendatory Act of 1991, be allocated and paid to that
26 conservation district as provided in this paragraph.

1 Any park district or municipality not maintaining a
2 museum may deposit the monies in the corporate fund of
3 the park district or municipality where the
4 inter-track wagering location is located, to be used
5 for general purposes; and

6 One-seventh to the Agricultural Premium Fund to be
7 used for distribution to agricultural home economics
8 extension councils in accordance with "An Act in
9 relation to additional support and finances for the
10 Agricultural and Home Economic Extension Councils in
11 the several counties of this State and making an
12 appropriation therefor", approved July 24, 1967.

13 Until January 1, 2000, all other monies paid into the
14 Horse Racing Tax Allocation Fund pursuant to this paragraph
15 (11) shall be allocated by appropriation as follows:

16 Two-sevenths to the Department of Agriculture.
17 Fifty percent of this two-sevenths shall be used to
18 promote the Illinois horse racing and breeding
19 industry, and shall be distributed by the Department of
20 Agriculture upon the advice of a 9-member committee
21 appointed by the Governor consisting of the following
22 members: the Director of Agriculture, who shall serve
23 as chairman; 2 representatives of organization
24 licensees conducting thoroughbred race meetings in
25 this State, recommended by those licensees; 2
26 representatives of organization licensees conducting

1 standardbred race meetings in this State, recommended
2 by those licensees; a representative of the Illinois
3 Thoroughbred Breeders and Owners Foundation,
4 recommended by that Foundation; a representative of
5 the Illinois Standardbred Owners and Breeders
6 Association, recommended by that Association; a
7 representative of the Horsemen's Benevolent and
8 Protective Association or any successor organization
9 thereto established in Illinois comprised of the
10 largest number of owners and trainers, recommended by
11 that Association or that successor organization; and a
12 representative of the Illinois Harness Horsemen's
13 Association, recommended by that Association.
14 Committee members shall serve for terms of 2 years,
15 commencing January 1 of each even-numbered year. If a
16 representative of any of the above-named entities has
17 not been recommended by January 1 of any even-numbered
18 year, the Governor shall appoint a committee member to
19 fill that position. Committee members shall receive no
20 compensation for their services as members but shall be
21 reimbursed for all actual and necessary expenses and
22 disbursements incurred in the performance of their
23 official duties. The remaining 50% of this
24 two-sevenths shall be distributed to county fairs for
25 premiums and rehabilitation as set forth in the
26 Agricultural Fair Act;

1 Four-sevenths to museums and aquariums located in
2 park districts of over 500,000 population; provided
3 that the monies are distributed in accordance with the
4 previous year's distribution of the maintenance tax
5 for such museums and aquariums as provided in Section 2
6 of the Park District Aquarium and Museum Act; and

7 One-seventh to the Agricultural Premium Fund to be
8 used for distribution to agricultural home economics
9 extension councils in accordance with "An Act in
10 relation to additional support and finances for the
11 Agricultural and Home Economic Extension Councils in
12 the several counties of this State and making an
13 appropriation therefor", approved July 24, 1967. This
14 subparagraph (C) shall be inoperative and of no force
15 and effect on and after January 1, 2000.

16 (D) Except as provided in paragraph (11) of this
17 subsection (h), with respect to purse allocation from
18 intertrack wagering, the monies so retained shall be
19 divided as follows:

20 (i) If the inter-track wagering licensee,
21 except an intertrack wagering licensee that
22 derives its license from an organization licensee
23 located in a county with a population in excess of
24 230,000 and bounded by the Mississippi River, is
25 not conducting its own race meeting during the same
26 dates, then the entire purse allocation shall be to

1 purses at the track where the races wagered on are
2 being conducted.

3 (ii) If the inter-track wagering licensee,
4 except an intertrack wagering licensee that
5 derives its license from an organization licensee
6 located in a county with a population in excess of
7 230,000 and bounded by the Mississippi River, is
8 also conducting its own race meeting during the
9 same dates, then the purse allocation shall be as
10 follows: 50% to purses at the track where the races
11 wagered on are being conducted; 50% to purses at
12 the track where the inter-track wagering licensee
13 is accepting such wagers.

14 (iii) If the inter-track wagering is being
15 conducted by an inter-track wagering location
16 licensee, except an intertrack wagering location
17 licensee that derives its license from an
18 organization licensee located in a county with a
19 population in excess of 230,000 and bounded by the
20 Mississippi River, the entire purse allocation for
21 Illinois races shall be to purses at the track
22 where the race meeting being wagered on is being
23 held.

24 (12) The Board shall have all powers necessary and
25 proper to fully supervise and control the conduct of
26 inter-track wagering and simulcast wagering by inter-track

1 wagering licensees and inter-track wagering location
2 licensees, including, but not limited to the following:

3 (A) The Board is vested with power to promulgate
4 reasonable rules and regulations for the purpose of
5 administering the conduct of this wagering and to
6 prescribe reasonable rules, regulations and conditions
7 under which such wagering shall be held and conducted.
8 Such rules and regulations are to provide for the
9 prevention of practices detrimental to the public
10 interest and for the best interests of said wagering
11 and to impose penalties for violations thereof.

12 (B) The Board, and any person or persons to whom it
13 delegates this power, is vested with the power to enter
14 the facilities of any licensee to determine whether
15 there has been compliance with the provisions of this
16 Act and the rules and regulations relating to the
17 conduct of such wagering.

18 (C) The Board, and any person or persons to whom it
19 delegates this power, may eject or exclude from any
20 licensee's facilities, any person whose conduct or
21 reputation is such that his presence on such premises
22 may, in the opinion of the Board, call into the
23 question the honesty and integrity of, or interfere
24 with the orderly conduct of such wagering; provided,
25 however, that no person shall be excluded or ejected
26 from such premises solely on the grounds of race,

1 color, creed, national origin, ancestry, or sex.

2 (D) (Blank).

3 (E) The Board is vested with the power to appoint
4 delegates to execute any of the powers granted to it
5 under this Section for the purpose of administering
6 this wagering and any rules and regulations
7 promulgated in accordance with this Act.

8 (F) The Board shall name and appoint a State
9 director of this wagering who shall be a representative
10 of the Board and whose duty it shall be to supervise
11 the conduct of inter-track wagering as may be provided
12 for by the rules and regulations of the Board; such
13 rules and regulation shall specify the method of
14 appointment and the Director's powers, authority and
15 duties.

16 (G) The Board is vested with the power to impose
17 civil penalties of up to \$5,000 against individuals and
18 up to \$10,000 against licensees for each violation of
19 any provision of this Act relating to the conduct of
20 this wagering, any rules adopted by the Board, any
21 order of the Board or any other action which in the
22 Board's discretion, is a detriment or impediment to
23 such wagering.

24 (13) The Department of Agriculture may enter into
25 agreements with licensees authorizing such licensees to
26 conduct inter-track wagering on races to be held at the

1 licensed race meetings conducted by the Department of
2 Agriculture. Such agreement shall specify the races of the
3 Department of Agriculture's licensed race meeting upon
4 which the licensees will conduct wagering. In the event
5 that a licensee conducts inter-track pari-mutuel wagering
6 on races from the Illinois State Fair or DuQuoin State Fair
7 which are in addition to the licensee's previously approved
8 racing program, those races shall be considered a separate
9 racing day for the purpose of determining the daily handle
10 and computing the privilege or pari-mutuel tax on that
11 daily handle as provided in Sections 27 and 27.1. Such
12 agreements shall be approved by the Board before such
13 wagering may be conducted. In determining whether to grant
14 approval, the Board shall give due consideration to the
15 best interests of the public and of horse racing. The
16 provisions of paragraphs (1), (8), (8.1), and (8.2) of
17 subsection (h) of this Section which are not specified in
18 this paragraph (13) shall not apply to licensed race
19 meetings conducted by the Department of Agriculture at the
20 Illinois State Fair in Sangamon County or the DuQuoin State
21 Fair in Perry County, or to any wagering conducted on those
22 race meetings.

23 (i) Notwithstanding the other provisions of this Act, the
24 conduct of wagering at wagering facilities is authorized on all
25 days, except as limited by subsection (b) of Section 19 of this
26 Act.

1 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

2 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

3 Sec. 26.1. For all pari-mutuel wagering conducted pursuant
4 to this Act, breakage shall be at all times computed on the
5 basis of not to exceed 10¢ on the dollar. If there is a minus
6 pool, the breakage shall be computed on the basis of not to
7 exceed 5¢ on the dollar. Breakage shall be calculated only
8 after the amounts retained by licensees pursuant to Sections 26
9 and 26.2 of this Act, and all applicable surcharges, are taken
10 out of winning wagers and winnings from wagers. ~~From Beginning~~
11 January 1, 2000 until the first day electronic gaming is
12 conducted by an organization licensee, all breakage shall be
13 retained by licensees, with 50% of breakage to be used by
14 licensees for racetrack improvements at the racetrack from
15 which the wagering facility derives its license. The remaining
16 50% is to be allocated 50% to the purse account for the
17 licensee from which the wagering facility derives its license
18 and 50% to the licensee. Beginning on the first day electronic
19 gaming is conducted by an organization licensee, all breakage
20 shall be retained by licensees, with 50% of breakage to be used
21 by licensees for racetrack improvements at the racetrack from
22 which the wagering facility derives its license. The remaining
23 50% is to be allocated to the purse account for the licensee
24 from which the wagering facility derives its license.

25 (Source: P.A. 91-40, eff. 6-25-99.)

1 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

2 Sec. 27. (a) Beginning on the date an organization licensee
3 begins conducting electronic gaming pursuant to an electronic
4 gaming license, the following pari-mutuel tax is imposed upon
5 an organization licensee on Illinois races at that licensee's
6 race track as follows:

7 1.5% of the pari-mutuel handle at or below the average
8 daily pari-mutuel handle for 2007.

9 2% of the pari-mutuel handle above the average daily
10 pari-mutuel handle for 2007 up to 125% of the average daily
11 pari-mutuel handle for 2007.

12 2.5% of the pari-mutuel handle 125% or more above the
13 average daily pari-mutuel handle for 2007 up to 150% of the
14 average daily pari-mutuel handle for 2007.

15 3% of the pari-mutuel handle 150% or more above the
16 average daily pari-mutuel handle for 2007 up to 175% of the
17 average daily pari-mutuel handle for 2007.

18 3.5% of the pari-mutuel handle 175% or more above the
19 average daily pari-mutuel handle for 2007.

20 The pari-mutuel tax imposed by this subsection (a) shall be
21 remitted to the Board within 48 hours after the close of the
22 racing day upon which it is assessed or within such other time
23 as the Board prescribes. ~~In addition to the organization~~
24 ~~license fee provided by this Act, until January 1, 2000, a~~
25 ~~graduated privilege tax is hereby imposed for conducting the~~

1 ~~pari mutuel system of wagering permitted under this Act. Until~~
2 ~~January 1, 2000, except as provided in subsection (g) of~~
3 ~~Section 27 of this Act, all of the breakage of each racing day~~
4 ~~held by any licensee in the State shall be paid to the State.~~
5 ~~Until January 1, 2000, such daily graduated privilege tax shall~~
6 ~~be paid by the licensee from the amount permitted to be~~
7 ~~retained under this Act. Until January 1, 2000, each day's~~
8 ~~graduated privilege tax, breakage, and Horse Racing Tax~~
9 ~~Allocation funds shall be remitted to the Department of Revenue~~
10 ~~within 48 hours after the close of the racing day upon which it~~
11 ~~is assessed or within such other time as the Board prescribes.~~
12 ~~The privilege tax hereby imposed, until January 1, 2000, shall~~
13 ~~be a flat tax at the rate of 2% of the daily pari mutuel handle~~
14 ~~except as provided in Section 27.1.~~

15 ~~In addition, every organization licensee, except as~~
16 ~~provided in Section 27.1 of this Act, which conducts multiple~~
17 ~~wagering shall pay, until January 1, 2000, as a privilege tax~~
18 ~~on multiple wagers an amount equal to 1.25% of all moneys~~
19 ~~wagered each day on such multiple wagers, plus an additional~~
20 ~~amount equal to 3.5% of the amount wagered each day on any~~
21 ~~other multiple wager which involves a single betting interest~~
22 ~~on 3 or more horses. The licensee shall remit the amount of~~
23 ~~such taxes to the Department of Revenue within 48 hours after~~
24 ~~the close of the racing day on which it is assessed or within~~
25 ~~such other time as the Board prescribes.~~

26 ~~This subsection (a) shall be inoperative and of no force~~

1 ~~and effect on and after January 1, 2000.~~

2 (a-5) Except as provided in this subsection (a-5) and
3 subsection (a) of this Section, Beginning on January 1, 2000, a
4 flat pari-mutuel tax at the rate of 1.5% of the daily
5 pari-mutuel handle is imposed on ~~at~~ all pari-mutuel wagering
6 facilities, ~~except as otherwise provided for in this subsection~~
7 ~~(a-5).~~ Until an organization licensee located in a county that
8 borders the Mississippi River and conducted live racing in the
9 previous year begins conducting electronic gaming pursuant an
10 electronic gaming license ~~Beginning on the effective date of~~
11 ~~this amendatory Act of the 94th General Assembly and until~~
12 ~~moneys deposited pursuant to Section 54 are distributed and~~
13 ~~received,~~ a pari-mutuel tax at the rate of 0.25% of the daily
14 pari-mutuel handle is imposed on ~~at a~~ pari-mutuel wagering
15 conducted by that licensee facility whose license is derived
16 ~~from a track located in a county that borders the Mississippi~~
17 ~~River and conducted live racing in the previous year.~~ When an
18 organization licensee located in a county that borders the
19 Mississippi River and conducted live racing in the previous
20 year begins conducting electronic gaming pursuant an
21 electronic gaming license ~~After moneys deposited pursuant to~~
22 ~~Section 54 are distributed and received,~~ a pari-mutuel tax at
23 the rate of 1.5% of the daily pari-mutuel handle is imposed on
24 ~~at a~~ pari-mutuel wagering conducted by that licensee facility
25 ~~whose license is derived from a track located in a county that~~
26 ~~borders the Mississippi River and conducted live racing in the~~

1 ~~previous year~~. The pari-mutuel tax imposed by this subsection
2 (a-5) shall be remitted to the Department of Revenue within 48
3 hours after the close of the racing day upon which it is
4 assessed or within such other time as the Board prescribes.

5 (b) On or before December 31, 1999, in the event that any
6 organization licensee conducts 2 separate programs of races on
7 any day, each such program shall be considered a separate
8 racing day for purposes of determining the daily handle and
9 computing the privilege tax on such daily handle as provided in
10 subsection (a) of this Section.

11 (c) Licensees shall at all times keep accurate books and
12 records of all monies wagered on each day of a race meeting and
13 of the taxes paid to the Department of Revenue under the
14 provisions of this Section. The Board or its duly authorized
15 representative or representatives shall at all reasonable
16 times have access to such records for the purpose of examining
17 and checking the same and ascertaining whether the proper
18 amount of taxes is being paid as provided. The Board shall
19 require verified reports and a statement of the total of all
20 monies wagered daily at each wagering facility upon which the
21 taxes are assessed and may prescribe forms upon which such
22 reports and statement shall be made.

23 (d) Any licensee failing or refusing to pay the amount of
24 any tax due under this Section shall be guilty of a business
25 offense and upon conviction shall be fined not more than \$5,000
26 in addition to the amount found due as tax under this Section.

1 Each day's violation shall constitute a separate offense. All
2 fines paid into Court by a licensee hereunder shall be
3 transmitted and paid over by the Clerk of the Court to the
4 Board.

5 (e) No other license fee, privilege tax, excise tax, or
6 racing fee, except as provided in this Act, shall be assessed
7 or collected from any such licensee by the State.

8 (f) No other license fee, privilege tax, excise tax or
9 racing fee shall be assessed or collected from any such
10 licensee by units of local government except as provided in
11 paragraph 10.1 of subsection (h) and subsection (f) of Section
12 26 of this Act. However, any municipality that has a Board
13 licensed horse race meeting at a race track wholly within its
14 corporate boundaries or a township that has a Board licensed
15 horse race meeting at a race track wholly within the
16 unincorporated area of the township may charge a local
17 amusement tax not to exceed 10¢ per admission to such horse
18 race meeting by the enactment of an ordinance. However, any
19 municipality or county that has a Board licensed inter-track
20 wagering location facility wholly within its corporate
21 boundaries may each impose an admission fee not to exceed \$1.00
22 per admission to such inter-track wagering location facility,
23 so that a total of not more than \$2.00 per admission may be
24 imposed. Except as provided in subparagraph (g) of Section 27
25 of this Act, the inter-track wagering location licensee shall
26 collect any and all such fees and within 48 hours remit the

1 fees to the Board, which shall, pursuant to rule, cause the
2 fees to be distributed to the county or municipality.

3 (g) Notwithstanding any provision in this Act to the
4 contrary, if in any calendar year the total taxes and fees from
5 wagering on live racing and from inter-track wagering required
6 to be collected from licensees and distributed under this Act
7 to all State and local governmental authorities exceeds the
8 amount of such taxes and fees distributed to each State and
9 local governmental authority to which each State and local
10 governmental authority was entitled under this Act for calendar
11 year 1994, then the first \$11 million of that excess amount
12 shall be allocated at the earliest possible date for
13 distribution as purse money for the succeeding calendar year.
14 Upon reaching the 1994 level, and until the excess amount of
15 taxes and fees exceeds \$11 million, the Board shall direct all
16 licensees to cease paying the subject taxes and fees and the
17 Board shall direct all licensees to allocate any such excess
18 amount for purses as follows:

19 (i) the excess amount shall be initially divided
20 between thoroughbred and standardbred purses based on the
21 thoroughbred's and standardbred's respective percentages
22 of total Illinois live wagering in calendar year 1994;

23 (ii) each thoroughbred and standardbred organization
24 licensee issued an organization licensee in that
25 succeeding allocation year shall be allocated an amount
26 equal to the product of its percentage of total Illinois

1 live thoroughbred or standardbred wagering in calendar
2 year 1994 (the total to be determined based on the sum of
3 1994 on-track wagering for all organization licensees
4 issued organization licenses in both the allocation year
5 and the preceding year) multiplied by the total amount
6 allocated for standardbred or thoroughbred purses,
7 provided that the first \$1,500,000 of the amount allocated
8 to standardbred purses under item (i) shall be allocated to
9 the Department of Agriculture to be expended with the
10 assistance and advice of the Illinois Standardbred
11 Breeders Funds Advisory Board for the purposes listed in
12 subsection (g) of Section 31 of this Act, before the amount
13 allocated to standardbred purses under item (i) is
14 allocated to standardbred organization licensees in the
15 succeeding allocation year.

16 To the extent the excess amount of taxes and fees to be
17 collected and distributed to State and local governmental
18 authorities exceeds \$11 million, that excess amount shall be
19 collected and distributed to State and local authorities as
20 provided for under this Act.

21 (Source: P.A. 94-805, eff. 5-26-06.)

22 (230 ILCS 5/28.1)

23 Sec. 28.1. Payments.

24 (a) Beginning on January 1, 2000, moneys collected by the
25 Department of Revenue and the Racing Board pursuant to Section

1 26 or Section 27 of this Act shall be deposited into the Horse
2 Racing Fund, which is hereby created as a non-appropriated
3 trust ~~special~~ fund in the State Treasury.

4 The Horse Racing Fund shall not be subject to sweeps,
5 administrative charges, or charge backs, including, but not
6 limited to, those authorized under Section 8h of the State
7 Finance Act, or any other fiscal or budgetary maneuver that
8 would in any way transfer any funds from the Horse Racing Fund
9 into any other fund of the State, except as provided in
10 subsection (c).

11 (b) Appropriations, as approved by the General Assembly,
12 may be made from the Horse Racing Fund to the Board to pay the
13 salaries of the Board members, secretary, stewards, directors
14 of mutuels, veterinarians, representatives, accountants,
15 clerks, stenographers, inspectors and other employees of the
16 Board, and all expenses of the Board incident to the
17 administration of this Act, including, but not limited to, all
18 expenses and salaries incident to the taking of saliva and
19 urine samples in accordance with the rules and regulations of
20 the Board.

21 (c) Beginning on January 1, 2000, the Board shall transfer
22 the remainder of the funds generated pursuant to Sections 26
23 and 27 from the Horse Racing Fund into the General Revenue
24 Fund.

25 (d) Beginning January 1, 2000, payments to all programs in
26 existence on the effective date of this amendatory Act of 1999

1 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and
2 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
3 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
4 and (h) of Section 31 shall be made from the General Revenue
5 Fund at the funding levels determined by amounts paid under
6 this Act in calendar year 1998. Beginning on the effective date
7 of this amendatory Act of the 93rd General Assembly, payments
8 to the Peoria Park District shall be made from the General
9 Revenue Fund at the funding level determined by amounts paid to
10 that park district for museum purposes under this Act in
11 calendar year 1994. Beginning on the effective date of this
12 amendatory Act of the 94th General Assembly, in lieu of
13 payments to the Champaign Park District for museum purposes,
14 payments to the Urbana Park District shall be made from the
15 General Revenue Fund at the funding level determined by amounts
16 paid to the Champaign Park District for museum purposes under
17 this Act in calendar year 2005.

18 (e) Beginning July 1, 2006, the payment authorized under
19 subsection (d) to museums and aquariums located in park
20 districts of over 500,000 population shall be paid to museums,
21 aquariums, and zoos in amounts determined by Museums in the
22 Park, an association of museums, aquariums, and zoos located on
23 Chicago Park District property.

24 (f) Beginning July 1, 2007, the Children's Discovery Museum
25 in Normal, Illinois shall receive payments from the General
26 Revenue Fund at the funding level determined by the amounts

1 paid to the Miller Park Zoo in Bloomington, Illinois under this
2 Section in calendar year 2006.

3 (g) Notwithstanding any other provision of this Act to the
4 contrary, moneys paid into the Illinois Colt Stakes
5 Distribution Fund may be distributed by the Department of
6 Agriculture to Illinois county fairs to supplement premiums
7 offered in junior classes.

8 (Source: P.A. 94-813, eff. 5-26-06; 95-222, eff. 8-16-07.)

9 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

10 Sec. 30. (a) The General Assembly declares that it is the
11 policy of this State to encourage the breeding of thoroughbred
12 horses in this State and the ownership of such horses by
13 residents of this State in order to provide for: sufficient
14 numbers of high quality thoroughbred horses to participate in
15 thoroughbred racing meetings in this State, and to establish
16 and preserve the agricultural and commercial benefits of such
17 breeding and racing industries to the State of Illinois. It is
18 the intent of the General Assembly to further this policy by
19 the provisions of this Act.

20 (b) Each organization licensee conducting a thoroughbred
21 racing meeting pursuant to this Act shall provide at least two
22 races each day limited to Illinois conceived and foaled horses
23 or Illinois foaled horses or both. A minimum of 6 races shall
24 be conducted each week limited to Illinois conceived and foaled
25 or Illinois foaled horses or both. Subject to the daily

1 availability of horses, one of the 6 races scheduled per week
2 that are limited to Illinois conceived and foaled or Illinois
3 foaled horses or both shall be limited to Illinois conceived
4 and foaled or Illinois foaled maidens. No horses shall be
5 permitted to start in such races unless duly registered under
6 the rules of the Department of Agriculture.

7 (c) Conditions of races under subsection (b) shall be
8 commensurate with past performance, quality, and class of
9 Illinois conceived and foaled and Illinois foaled horses
10 available. If, however, sufficient competition cannot be had
11 among horses of that class on any day, the races may, with
12 consent of the Board, be eliminated for that day and substitute
13 races provided.

14 (d) There is hereby created a non-appropriated trust
15 ~~special~~ fund of the State Treasury to be known as the Illinois
16 Thoroughbred Breeders Fund.

17 Except as provided in subsection (g) of Section 27 of this
18 Act, 8.5% of all the monies received by the State as privilege
19 taxes on Thoroughbred racing meetings shall be paid into the
20 Illinois Thoroughbred Breeders Fund. The Illinois Thoroughbred
21 Breeders Fund shall not be subject to sweeps, administrative
22 charges, or charge backs, including, but not limited to, those
23 authorized under Section 8h of the State Finance Act, or any
24 other fiscal or budgetary maneuver that would in any way
25 transfer any funds from the Illinois Thoroughbred Breeders Fund
26 into any other fund of the State.

1 (e) The Illinois Thoroughbred Breeders Fund shall be
2 administered by the Department of Agriculture with the advice
3 and assistance of the Advisory Board created in subsection (f)
4 of this Section.

5 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
6 shall consist of the Director of the Department of Agriculture,
7 who shall serve as Chairman; a member of the Illinois Racing
8 Board, designated by it; 2 representatives of the organization
9 licensees conducting thoroughbred racing meetings, recommended
10 by them; 2 representatives of the Illinois Thoroughbred
11 Breeders and Owners Foundation, recommended by it; and 2
12 representatives of the Horsemen's Benevolent Protective
13 Association or any successor organization established in
14 Illinois comprised of the largest number of owners and
15 trainers, recommended by it, with one representative of the
16 Horsemen's Benevolent and Protective Association to come from
17 its Illinois Division, and one from its Chicago Division.
18 Advisory Board members shall serve for 2 years commencing
19 January 1 of each odd numbered year. If representatives of the
20 organization licensees conducting thoroughbred racing
21 meetings, the Illinois Thoroughbred Breeders and Owners
22 Foundation, and the Horsemen's Benevolent Protection
23 Association have not been recommended by January 1, of each odd
24 numbered year, the Director of the Department of Agriculture
25 shall make an appointment for the organization failing to so
26 recommend a member of the Advisory Board. Advisory Board

1 members shall receive no compensation for their services as
2 members but shall be reimbursed for all actual and necessary
3 expenses and disbursements incurred in the execution of their
4 official duties.

5 (g) Moneys in ~~No monies shall be expended from the Illinois~~
6 ~~Thoroughbred Breeders Fund except as appropriated by the~~
7 ~~General Assembly. Monies appropriated from~~ the Illinois
8 Thoroughbred Breeders Fund shall be expended by the Department
9 of Agriculture, with the advice and assistance of the Illinois
10 Thoroughbred Breeders Fund Advisory Board, for the following
11 purposes only:

12 (1) To provide purse supplements to owners of horses
13 participating in races limited to Illinois conceived and
14 foaled and Illinois foaled horses. Any such purse
15 supplements shall not be included in and shall be paid in
16 addition to any purses, stakes, or breeders' awards offered
17 by each organization licensee as determined by agreement
18 between such organization licensee and an organization
19 representing the horsemen. No monies from the Illinois
20 Thoroughbred Breeders Fund shall be used to provide purse
21 supplements for claiming races in which the minimum
22 claiming price is less than \$7,500.

23 (2) To provide stakes and awards to be paid to the
24 owners of the winning horses in certain races limited to
25 Illinois conceived and foaled and Illinois foaled horses
26 designated as stakes races.

1 (2.5) To provide an award to the owner or owners of an
2 Illinois conceived and foaled or Illinois foaled horse that
3 wins a maiden special weight, an allowance, overnight
4 handicap race, or claiming race with claiming price of
5 \$10,000 or more providing the race is not restricted to
6 Illinois conceived and foaled or Illinois foaled horses.
7 Awards shall also be provided to the owner or owners of
8 Illinois conceived and foaled and Illinois foaled horses
9 that place second or third in those races. To the extent
10 that additional moneys are required to pay the minimum
11 additional awards of 40% of the purse the horse earns for
12 placing first, second or third in those races for Illinois
13 foaled horses and of 60% of the purse the horse earns for
14 placing first, second or third in those races for Illinois
15 conceived and foaled horses, those moneys shall be provided
16 from the purse account at the track where earned.

17 (3) To provide stallion awards to the owner or owners
18 of any stallion that is duly registered with the Illinois
19 Thoroughbred Breeders Fund Program ~~prior to the effective~~
20 ~~date of this amendatory Act of 1995~~ whose duly registered
21 Illinois conceived and foaled offspring wins a race
22 conducted at an Illinois thoroughbred racing meeting other
23 than a claiming race. Such award shall not be paid to the
24 owner or owners of an Illinois stallion that served outside
25 this State at any time during the calendar year in which
26 such race was conducted.

1 (4) To provide \$75,000 annually for purses to be
2 distributed to county fairs that provide for the running of
3 races during each county fair exclusively for the
4 thoroughbreds conceived and foaled in Illinois. The
5 conditions of the races shall be developed by the county
6 fair association and reviewed by the Department with the
7 advice and assistance of the Illinois Thoroughbred
8 Breeders Fund Advisory Board. There shall be no wagering of
9 any kind on the running of Illinois conceived and foaled
10 races at county fairs.

11 (4.1) To provide purse money for an Illinois stallion
12 stakes program.

13 (5) No less than 80% of all monies appropriated from
14 the Illinois Thoroughbred Breeders Fund shall be expended
15 for the purposes in (1), (2), (2.5), (3), (4), (4.1), and
16 (5) as shown above.

17 (6) To provide for educational programs regarding the
18 thoroughbred breeding industry.

19 (7) To provide for research programs concerning the
20 health, development and care of the thoroughbred horse.

21 (8) To provide for a scholarship and training program
22 for students of equine veterinary medicine.

23 (9) To provide for dissemination of public information
24 designed to promote the breeding of thoroughbred horses in
25 Illinois.

26 (10) To provide for all expenses incurred in the

1 administration of the Illinois Thoroughbred Breeders Fund.

2 (h) Whenever the Governor finds that the amount in the
3 Illinois Thoroughbred Breeders Fund is more than the total of
4 the outstanding appropriations from such fund, the Governor
5 shall notify the State Comptroller and the State Treasurer of
6 such fact. The Comptroller and the State Treasurer, upon
7 receipt of such notification, shall transfer such excess amount
8 from the Illinois Thoroughbred Breeders Fund to the General
9 Revenue Fund.

10 (i) A sum equal to 17% ~~12-1/2%~~ of the first prize money of
11 every purse won by an Illinois foaled or an Illinois conceived
12 and foaled horse in races not limited to Illinois foaled horses
13 or Illinois conceived and foaled horses, or both, shall be paid
14 by the organization licensee conducting the horse race meeting.
15 Such sum shall be paid from the organization licensee's share
16 of the money wagered as follows: 15% ~~11-1/2%~~ to the breeder of
17 the winning horse and 2% ~~1%~~ to the organization representing
18 thoroughbred breeders and owners whose representative serves
19 on the Illinois Thoroughbred Breeders Fund Advisory Board for
20 verifying the amounts of breeders' awards earned, assuring
21 their distribution in accordance with this Act, and servicing
22 and promoting the Illinois thoroughbred horse racing industry.
23 The organization representing thoroughbred breeders and owners
24 shall cause all expenditures of monies received under this
25 subsection (i) to be audited at least annually by a registered
26 public accountant. The organization shall file copies of each

1 annual audit with the Racing Board, the Clerk of the House of
2 Representatives and the Secretary of the Senate, and shall make
3 copies of each annual audit available to the public upon
4 request and upon payment of the reasonable cost of photocopying
5 the requested number of copies. Such payments shall not reduce
6 any award to the owner of the horse or reduce the taxes payable
7 under this Act. Upon completion of its racing meet, each
8 organization licensee shall deliver to the organization
9 representing thoroughbred breeders and owners whose
10 representative serves on the Illinois Thoroughbred Breeders
11 Fund Advisory Board a listing of all the Illinois foaled and
12 the Illinois conceived and foaled horses which won breeders'
13 awards and the amount of such breeders' awards under this
14 subsection to verify accuracy of payments and assure proper
15 distribution of breeders' awards in accordance with the
16 provisions of this Act. Such payments shall be delivered by the
17 organization licensee within 30 days of the end of each race
18 meeting.

19 (j) A sum equal to 17% ~~12-1/2%~~ of the first prize money won
20 in each race limited to Illinois foaled horses or Illinois
21 conceived and foaled horses, or both, shall be paid in the
22 following manner by the organization licensee conducting the
23 horse race meeting, from the organization licensee's share of
24 the money wagered: 15% ~~11-1/2%~~ to the breeders of the horses in
25 each such race which are the official first, second, third and
26 fourth finishers and 2% ~~1%~~ to the organization representing

1 thoroughbred breeders and owners whose representative serves
2 on the Illinois Thoroughbred Breeders Fund Advisory Board for
3 verifying the amounts of breeders' awards earned, assuring
4 their proper distribution in accordance with this Act, and
5 servicing and promoting the Illinois thoroughbred horse racing
6 industry. The organization representing thoroughbred breeders
7 and owners shall cause all expenditures of monies received
8 under this subsection (j) to be audited at least annually by a
9 registered public accountant. The organization shall file
10 copies of each annual audit with the Racing Board, the Clerk of
11 the House of Representatives and the Secretary of the Senate,
12 and shall make copies of each annual audit available to the
13 public upon request and upon payment of the reasonable cost of
14 photocopying the requested number of copies.

15 The 17% ~~11-1/2%~~ paid to the breeders in accordance with
16 this subsection shall be distributed as follows:

17 (1) 60% of such sum shall be paid to the breeder of the
18 horse which finishes in the official first position;

19 (2) 20% of such sum shall be paid to the breeder of the
20 horse which finishes in the official second position;

21 (3) 15% of such sum shall be paid to the breeder of the
22 horse which finishes in the official third position; and

23 (4) 5% of such sum shall be paid to the breeder of the
24 horse which finishes in the official fourth position.

25 Such payments shall not reduce any award to the owners of a
26 horse or reduce the taxes payable under this Act. Upon

1 completion of its racing meet, each organization licensee shall
2 deliver to the organization representing thoroughbred breeders
3 and owners whose representative serves on the Illinois
4 Thoroughbred Breeders Fund Advisory Board a listing of all the
5 Illinois foaled and the Illinois conceived and foaled horses
6 which won breeders' awards and the amount of such breeders'
7 awards in accordance with the provisions of this Act. Such
8 payments shall be delivered by the organization licensee within
9 30 days of the end of each race meeting.

10 (k) The term "breeder", as used herein, means the owner of
11 the mare at the time the foal is dropped. An "Illinois foaled
12 horse" is a foal dropped by a mare which enters this State on
13 or before December 1, in the year in which the horse is bred,
14 provided the mare remains continuously in this State until its
15 foal is born. An "Illinois foaled horse" also means a foal born
16 of a mare in the same year as the mare enters this State on or
17 before March 1, and remains in this State at least 30 days
18 after foaling, is bred back during the season of the foaling to
19 an Illinois Registered Stallion (unless a veterinarian
20 certifies that the mare should not be bred for health reasons),
21 and is not bred to a stallion standing in any other state
22 during the season of foaling. An "Illinois foaled horse" also
23 means a foal born in Illinois of a mare purchased at public
24 auction subsequent to the mare entering this State prior to
25 March 1 ~~February 1~~ of the foaling year providing the mare is
26 owned solely by one or more Illinois residents or an Illinois

1 entity that is entirely owned by one or more Illinois
2 residents.

3 (1) The Department of Agriculture shall, by rule, with the
4 advice and assistance of the Illinois Thoroughbred Breeders
5 Fund Advisory Board:

6 (1) Qualify stallions for Illinois breeding; such
7 stallions to stand for service within the State of Illinois
8 at the time of a foal's conception. Such stallion must not
9 stand for service at any place outside the State of
10 Illinois during the calendar year in which the foal is
11 conceived. The Department of Agriculture may assess and
12 collect an application fee of up to \$500 ~~fees~~ for the
13 registration of each Illinois-eligible stallion ~~stallions~~.
14 All fees collected are to be paid into the Illinois
15 Thoroughbred Breeders Fund and with the advice and
16 assistance of the Illinois Thoroughbred Breeders Fund
17 Advisory Board shall be used for stallion awards.

18 (2) Provide for the registration of Illinois conceived
19 and foaled horses and Illinois foaled horses. No such horse
20 shall compete in the races limited to Illinois conceived
21 and foaled horses or Illinois foaled horses or both unless
22 registered with the Department of Agriculture. The
23 Department of Agriculture may prescribe such forms as are
24 necessary to determine the eligibility of such horses. The
25 Department of Agriculture may assess and collect
26 application fees for the registration of Illinois-eligible

1 foals. All fees collected are to be paid into the Illinois
2 Thoroughbred Breeders Fund. No person shall knowingly
3 prepare or cause preparation of an application for
4 registration of such foals containing false information.

5 (m) The Department of Agriculture, with the advice and
6 assistance of the Illinois Thoroughbred Breeders Fund Advisory
7 Board, shall provide that certain races limited to Illinois
8 conceived and foaled and Illinois foaled horses be stakes races
9 and determine the total amount of stakes and awards to be paid
10 to the owners of the winning horses in such races.

11 In determining the stakes races and the amount of awards
12 for such races, the Department of Agriculture shall consider
13 factors, including but not limited to, the amount of money
14 appropriated for the Illinois Thoroughbred Breeders Fund
15 program, organization licensees' contributions, availability
16 of stakes caliber horses as demonstrated by past performances,
17 whether the race can be coordinated into the proposed racing
18 dates within organization licensees' racing dates, opportunity
19 for colts and fillies and various age groups to race, public
20 wagering on such races, and the previous racing schedule.

21 (n) The Board and the organizational licensee shall notify
22 the Department of the conditions and minimum purses for races
23 limited to Illinois conceived and foaled and Illinois foaled
24 horses conducted for each organizational licensee conducting a
25 thoroughbred racing meeting. The Department of Agriculture
26 with the advice and assistance of the Illinois Thoroughbred

1 Breeders Fund Advisory Board may allocate monies for purse
2 supplements for such races. In determining whether to allocate
3 money and the amount, the Department of Agriculture shall
4 consider factors, including but not limited to, the amount of
5 money appropriated for the Illinois Thoroughbred Breeders Fund
6 program, the number of races that may occur, and the
7 organizational licensee's purse structure.

8 (o) (Blank). ~~In order to improve the breeding quality of~~
9 ~~thoroughbred horses in the State, the General Assembly~~
10 ~~recognizes that existing provisions of this Section to~~
11 ~~encourage such quality breeding need to be revised and~~
12 ~~strengthened. As such, a Thoroughbred Breeder's Program Task~~
13 ~~Force is to be appointed by the Governor by September 1, 1999~~
14 ~~to make recommendations to the General Assembly by no later~~
15 ~~than March 1, 2000. This task force is to be composed of 2~~
16 ~~representatives from the Illinois Thoroughbred Breeders and~~
17 ~~Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's~~
18 ~~Association, 3 from Illinois race tracks operating~~
19 ~~thoroughbred race meets for an average of at least 30 days in~~
20 ~~the past 3 years, the Director of Agriculture, the Executive~~
21 ~~Director of the Racing Board, who shall serve as Chairman.~~

22 (Source: P.A. 91-40, eff. 6-25-99.)

23 (230 ILCS 5/30.5)

24 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

25 (a) The General Assembly declares that it is the policy of

1 this State to encourage the breeding of racing quarter horses
2 in this State and the ownership of such horses by residents of
3 this State in order to provide for sufficient numbers of high
4 quality racing quarter horses in this State and to establish
5 and preserve the agricultural and commercial benefits of such
6 breeding and racing industries to the State of Illinois. It is
7 the intent of the General Assembly to further this policy by
8 the provisions of this Act.

9 (b) There is hereby created a non-appropriated trust
10 ~~special~~ fund in the State Treasury to be known as the Illinois
11 Racing Quarter Horse Breeders Fund. Except as provided in
12 subsection (g) of Section 27 of this Act, 8.5% of all the
13 moneys received by the State as pari-mutuel taxes on quarter
14 horse racing shall be paid into the Illinois Racing Quarter
15 Horse Breeders Fund. The Illinois Racing Quarter Horse Breeders
16 Fund shall not be subject to sweeps, administrative charges, or
17 charge backs, including, but not limited to, those authorized
18 under Section 8h of the State Finance Act, or any other fiscal
19 or budgetary maneuver that would in any way transfer any funds
20 from the Illinois Racing Quarter Horse Breeders Fund into any
21 other fund of the State.

22 (c) The Illinois Racing Quarter Horse Breeders Fund shall
23 be administered by the Department of Agriculture with the
24 advice and assistance of the Advisory Board created in
25 subsection (d) of this Section.

26 (d) The Illinois Racing Quarter Horse Breeders Fund

1 Advisory Board shall consist of the Director of the Department
2 of Agriculture, who shall serve as Chairman; a member of the
3 Illinois Racing Board, designated by it; one representative of
4 the organization licensees conducting pari-mutuel quarter
5 horse racing meetings, recommended by them; 2 representatives
6 of the Illinois Running Quarter Horse Association, recommended
7 by it; and the Superintendent of Fairs and Promotions from the
8 Department of Agriculture. Advisory Board members shall serve
9 for 2 years commencing January 1 of each odd numbered year. If
10 representatives have not been recommended by January 1 of each
11 odd numbered year, the Director of the Department of
12 Agriculture may make an appointment for the organization
13 failing to so recommend a member of the Advisory Board.
14 Advisory Board members shall receive no compensation for their
15 services as members but may be reimbursed for all actual and
16 necessary expenses and disbursements incurred in the execution
17 of their official duties.

18 ~~(e) No moneys shall be expended from the Illinois Racing~~
19 ~~Quarter Horse Breeders Fund except as appropriated by the~~
20 ~~General Assembly. Moneys in appropriated from the Illinois~~
21 ~~Racing Quarter Horse Breeders Fund shall be expended by the~~
22 ~~Department of Agriculture, with the advice and assistance of~~
23 ~~the Illinois Racing Quarter Horse Breeders Fund Advisory Board,~~
24 ~~for the following purposes only:~~

25 (1) To provide stakes and awards to be paid to the
26 owners of the winning horses in certain races. This

1 provision is limited to Illinois conceived and foaled
2 horses.

3 (2) To provide an award to the owner or owners of an
4 Illinois conceived and foaled horse that wins a race when
5 pari-mutuel wagering is conducted; providing the race is
6 not restricted to Illinois conceived and foaled horses.

7 (3) To provide purse money for an Illinois stallion
8 stakes program.

9 (4) To provide for purses to be distributed for the
10 running of races during the Illinois State Fair and the
11 DuQuoin State Fair exclusively for quarter horses
12 conceived and foaled in Illinois.

13 (5) To provide for purses to be distributed for the
14 running of races at Illinois county fairs exclusively for
15 quarter horses conceived and foaled in Illinois.

16 (6) To provide for purses to be distributed for running
17 races exclusively for quarter horses conceived and foaled
18 in Illinois at locations in Illinois determined by the
19 Department of Agriculture with advice and consent of the
20 Racing Quarter Horse Breeders Fund Advisory Board.

21 (7) No less than 90% of all moneys appropriated from
22 the Illinois Racing Quarter Horse Breeders Fund shall be
23 expended for the purposes in items (1), (2), (3), (4), and
24 (5) of this subsection (e).

25 (8) To provide for research programs concerning the
26 health, development, and care of racing quarter horses.

1 (9) To provide for dissemination of public information
2 designed to promote the breeding of racing quarter horses
3 in Illinois.

4 (10) To provide for expenses incurred in the
5 administration of the Illinois Racing Quarter Horse
6 Breeders Fund.

7 (f) The Department of Agriculture shall, by rule, with the
8 advice and assistance of the Illinois Racing Quarter Horse
9 Breeders Fund Advisory Board:

10 (1) Qualify stallions for Illinois breeding; such
11 stallions to stand for service within the State of
12 Illinois, at the time of a foal's conception. Such stallion
13 must not stand for service at any place outside the State
14 of Illinois during the calendar year in which the foal is
15 conceived. The Department of Agriculture may assess and
16 collect application fees for the registration of
17 Illinois-eligible stallions. All fees collected are to be
18 paid into the Illinois Racing Quarter Horse Breeders Fund.

19 (2) Provide for the registration of Illinois conceived
20 and foaled horses. No such horse shall compete in the races
21 limited to Illinois conceived and foaled horses unless it
22 is registered with the Department of Agriculture. The
23 Department of Agriculture may prescribe such forms as are
24 necessary to determine the eligibility of such horses. The
25 Department of Agriculture may assess and collect
26 application fees for the registration of Illinois-eligible

1 foals. All fees collected are to be paid into the Illinois
2 Racing Quarter Horse Breeders Fund. No person shall
3 knowingly prepare or cause preparation of an application
4 for registration of such foals that contains false
5 information.

6 (3) Allow 150 days after the effective date of this
7 amendatory Act of the 95th General Assembly to grandfather
8 any quarter horse conceived and foaled in Illinois into the
9 Illinois Racing Quarter Horse Breeders Fund Program of the
10 Illinois Department of Agriculture.

11 (g) The Department of Agriculture, with the advice and
12 assistance of the Illinois Racing Quarter Horse Breeders Fund
13 Advisory Board, shall provide that certain races limited to
14 Illinois conceived and foaled be stakes races and determine the
15 total amount of stakes and awards to be paid to the owners of
16 the winning horses in such races.

17 (Source: P.A. 91-40, eff. 6-25-99.)

18 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

19 Sec. 31. (a) The General Assembly declares that it is the
20 policy of this State to encourage the breeding of standardbred
21 horses in this State and the ownership of such horses by
22 residents of this State in order to provide for: sufficient
23 numbers of high quality standardbred horses to participate in
24 harness racing meetings in this State, and to establish and
25 preserve the agricultural and commercial benefits of such

1 breeding and racing industries to the State of Illinois. It is
2 the intent of the General Assembly to further this policy by
3 the provisions of this Section of this Act.

4 (b) Each organization licensee conducting a harness racing
5 meeting pursuant to this Act shall provide for at least two
6 races each race program limited to Illinois conceived and
7 foaled horses. A minimum of 6 races shall be conducted each
8 week limited to Illinois conceived and foaled horses. No horses
9 shall be permitted to start in such races unless duly
10 registered under the rules of the Department of Agriculture.

11 (b-5) Each organization licensee conducting a harness
12 racing meeting pursuant to this Act shall provide stakes races
13 and early closer races for Illinois conceived and foaled horses
14 so the total purses distributed for such races shall be no less
15 than an amount equal to (i) the total of the horsemen's
16 payments and entry fees, plus (ii) 17% of the total purses
17 distributed at the meeting.

18 (b-10) Each organization licensee conducting a harness
19 racing meeting pursuant to this Act shall provide an owner
20 award to be paid from the purse account equal to 25% of the
21 amount earned by Illinois conceived and foaled horses in races
22 that are not restricted to Illinois conceived and foaled
23 horses.

24 (c) Conditions of races under subsection (b) shall be
25 commensurate with past performance, quality and class of
26 Illinois conceived and foaled horses available. If, however,

1 sufficient competition cannot be had among horses of that class
2 on any day, the races may, with consent of the Board, be
3 eliminated for that day and substitute races provided.

4 (d) There is hereby created a non-appropriated trust
5 ~~special~~ fund of the State Treasury to be known as the Illinois
6 Standardbred Breeders Fund. The Illinois Standardbred Breeders
7 Fund shall not be subject to sweeps, administrative charges, or
8 charge backs, including, but not limited to, those authorized
9 under Section 8h of the State Finance Act, or any other fiscal
10 or budgetary maneuver that would in any way transfer any funds
11 from the Illinois Standardbred Breeders Fund into any other
12 fund of the State.

13 During the calendar year 1981, and each year thereafter,
14 except as provided in subsection (g) of Section 27 of this Act,
15 eight and one-half per cent of all the monies received by the
16 State as privilege taxes on harness racing meetings shall be
17 paid into the Illinois Standardbred Breeders Fund.

18 (e) The Illinois Standardbred Breeders Fund shall be
19 administered by the Department of Agriculture with the
20 assistance and advice of the Advisory Board created in
21 subsection (f) of this Section.

22 (f) The Illinois Standardbred Breeders Fund Advisory Board
23 is hereby created. The Advisory Board shall consist of the
24 Director of the Department of Agriculture, who shall serve as
25 Chairman; the Superintendent of the Illinois State Fair; a
26 member of the Illinois Racing Board, designated by it; a

1 representative of the Illinois Standardbred Owners and
2 Breeders Association, recommended by it; a representative of
3 the Illinois Association of Agricultural Fairs, recommended by
4 it, such representative to be from a fair at which Illinois
5 conceived and foaled racing is conducted; a representative of
6 the organization licensees conducting harness racing meetings,
7 recommended by them and a representative of the Illinois
8 Harness Horsemen's Association, recommended by it. Advisory
9 Board members shall serve for 2 years commencing January 1, of
10 each odd numbered year. If representatives of the Illinois
11 Standardbred Owners and Breeders Associations, the Illinois
12 Association of Agricultural Fairs, the Illinois Harness
13 Horsemen's Association, and the organization licensees
14 conducting harness racing meetings have not been recommended by
15 January 1, of each odd numbered year, the Director of the
16 Department of Agriculture shall make an appointment for the
17 organization failing to so recommend a member of the Advisory
18 Board. Advisory Board members shall receive no compensation for
19 their services as members but shall be reimbursed for all
20 actual and necessary expenses and disbursements incurred in the
21 execution of their official duties.

22 (g) ~~No monies shall be expended from the Illinois~~
23 ~~Standardbred Breeders Fund except as appropriated by the~~
24 ~~General Assembly.~~ Monies in ~~appropriated from~~ the Illinois
25 Standardbred Breeders Fund shall be expended by the Department
26 of Agriculture, with the assistance and advice of the Illinois

1 Standardbred Breeders Fund Advisory Board for the following
2 purposes only:

3 1. To provide purses for races limited to Illinois
4 conceived and foaled horses at the State Fair and the
5 DuQuoin State Fair.

6 2. To provide purses for races limited to Illinois
7 conceived and foaled horses at county fairs.

8 3. To provide purse supplements for races limited to
9 Illinois conceived and foaled horses conducted by
10 associations conducting harness racing meetings.

11 4. No less than 75% of all monies in the Illinois
12 Standardbred Breeders Fund shall be expended for purses in
13 1, 2 and 3 as shown above.

14 4.5. To provide for bonus programs to pay owners of
15 horses that win multiple stake races that are restricted to
16 Illinois conceived and foaled horses.

17 5. In the discretion of the Department of Agriculture
18 to provide awards to harness breeders of Illinois conceived
19 and foaled horses which win races conducted by organization
20 licensees conducting harness racing meetings. A breeder is
21 the owner of a mare at the time of conception. No more than
22 10% of all monies appropriated from the Illinois
23 Standardbred Breeders Fund shall be expended for such
24 harness breeders awards. No more than 25% of the amount
25 expended for harness breeders awards shall be expended for
26 expenses incurred in the administration of such harness

1 breeders awards.

2 6. To pay for the improvement of racing facilities
3 located at the State Fair and County fairs.

4 7. To pay the expenses incurred in the administration
5 of the Illinois Standardbred Breeders Fund.

6 8. To promote the sport of harness racing, including
7 grants up to a maximum of \$7,500 per fair per year for the
8 cost of a totalizator system to be used for conducting
9 pari-mutuel wagering during the advertised dates of a
10 county fair.

11 (h) Whenever the Governor finds that the amount in the
12 Illinois Standardbred Breeders Fund is more than the total of
13 the outstanding appropriations from such fund, the Governor
14 shall notify the State Comptroller and the State Treasurer of
15 such fact. The Comptroller and the State Treasurer, upon
16 receipt of such notification, shall transfer such excess amount
17 from the Illinois Standardbred Breeders Fund to the General
18 Revenue Fund.

19 (i) A sum equal to 12 1/2% of the first prize money of the
20 gross ~~every~~ purse won by an Illinois conceived and foaled horse
21 shall be paid by the organization licensee conducting the horse
22 race meeting to the breeder of such winning horse from the
23 organization licensee's account ~~share of the money wagered.~~
24 Such payment shall not reduce any award to the owner of the
25 horse or reduce the taxes payable under this Act. Such payment
26 shall be delivered by the organization licensee at the end of

1 each month ~~race meeting~~.

2 (j) The Department of Agriculture shall, by rule, with the
3 assistance and advice of the Illinois Standardbred Breeders
4 Fund Advisory Board:

5 1. Qualify stallions for Illinois Standardbred Breeders
6 Fund breeding; such stallion shall be owned by a resident of
7 the State of Illinois or by an Illinois corporation all of
8 whose shareholders, directors, officers and incorporators are
9 residents of the State of Illinois. Such stallion shall stand
10 for service at and within the State of Illinois at the time of
11 a foal's conception, and such stallion must not stand for
12 service at any place, ~~nor may semen from such stallion be~~
13 ~~transported,~~ outside the State of Illinois during that calendar
14 year in which the foal is conceived and that the owner of the
15 stallion was for the 12 months prior, a resident of Illinois.
16 The articles of agreement of any partnership, joint venture,
17 limited partnership, syndicate, association or corporation and
18 any bylaws and stock certificates must contain a restriction
19 that provides that the ownership or transfer of interest by any
20 one of the persons a party to the agreement can only be made to
21 a person who qualifies as an Illinois resident. Foals conceived
22 outside the State of Illinois from shipped semen from a
23 stallion qualified for breeders' awards under this Section are
24 not eligible to participate in the Illinois conceived and
25 foaled program.

26 2. Provide for the registration of Illinois conceived and

1 foaled horses and no such horse shall compete in the races
2 limited to Illinois conceived and foaled horses unless
3 registered with the Department of Agriculture. The Department
4 of Agriculture may prescribe such forms as may be necessary to
5 determine the eligibility of such horses. No person shall
6 knowingly prepare or cause preparation of an application for
7 registration of such foals containing false information. A mare
8 (dam) must be in the state at least 30 days prior to foaling or
9 remain in the State at least 30 days at the time of foaling.
10 Beginning with the 1996 breeding season and for foals of 1997
11 and thereafter, a foal conceived in the State of Illinois by
12 transported fresh semen may be eligible for Illinois conceived
13 and foaled registration provided all breeding and foaling
14 requirements are met. The stallion must be qualified for
15 Illinois Standardbred Breeders Fund breeding at the time of
16 conception and the mare must be inseminated within the State of
17 Illinois. The foal must be dropped in Illinois and properly
18 registered with the Department of Agriculture in accordance
19 with this Act.

20 3. Provide that at least a 5 day racing program shall be
21 conducted at the State Fair each year, which program shall
22 include at least the following races limited to Illinois
23 conceived and foaled horses: (a) a two year old Trot and Pace,
24 and Filly Division of each; (b) a three year old Trot and Pace,
25 and Filly Division of each; (c) an aged Trot and Pace, and Mare
26 Division of each.

1 4. Provide for the payment of nominating, sustaining and
2 starting fees for races promoting the sport of harness racing
3 and for the races to be conducted at the State Fair as provided
4 in subsection (j) 3 of this Section provided that the
5 nominating, sustaining and starting payment required from an
6 entrant shall not exceed 2% of the purse of such race. All
7 nominating, sustaining and starting payments shall be held for
8 the benefit of entrants and shall be paid out as part of the
9 respective purses for such races. Nominating, sustaining and
10 starting fees shall be held in trust accounts for the purposes
11 as set forth in this Act and in accordance with Section 205-15
12 of the Department of Agriculture Law (20 ILCS 205/205-15).

13 5. Provide for the registration with the Department of
14 Agriculture of Colt Associations or county fairs desiring to
15 sponsor races at county fairs.

16 (k) The Department of Agriculture, with the advice and
17 assistance of the Illinois Standardbred Breeders Fund Advisory
18 Board, may allocate monies for purse supplements for such
19 races. In determining whether to allocate money and the amount,
20 the Department of Agriculture shall consider factors,
21 including but not limited to, the amount of money appropriated
22 for the Illinois Standardbred Breeders Fund program, the number
23 of races that may occur, and an organizational licensee's purse
24 structure. The organizational licensee shall notify the
25 Department of Agriculture of the conditions and minimum purses
26 for races limited to Illinois conceived and foaled horses to be

1 conducted by each organizational licensee conducting a harness
2 racing meeting for which purse supplements have been
3 negotiated.

4 (l) All races held at county fairs and the State Fair which
5 receive funds from the Illinois Standardbred Breeders Fund
6 shall be conducted in accordance with the rules of the United
7 States Trotting Association unless otherwise modified by the
8 Department of Agriculture.

9 (m) At all standardbred race meetings held or conducted
10 under authority of a license granted by the Board, and at all
11 standardbred races held at county fairs which are approved by
12 the Department of Agriculture or at the Illinois or DuQuoin
13 State Fairs, no one shall jog, train, warm up or drive a
14 standardbred horse unless he or she is wearing a protective
15 safety helmet, with the chin strap fastened and in place, which
16 meets the standards and requirements as set forth in the 1984
17 Standard for Protective Headgear for Use in Harness Racing and
18 Other Equestrian Sports published by the Snell Memorial
19 Foundation, or any standards and requirements for headgear the
20 Illinois Racing Board may approve. Any other standards and
21 requirements so approved by the Board shall equal or exceed
22 those published by the Snell Memorial Foundation. Any
23 equestrian helmet bearing the Snell label shall be deemed to
24 have met those standards and requirements.

25 (Source: P.A. 91-239, eff. 1-1-00.)

1 (230 ILCS 5/31.2 new)

2 Sec. 31.2. Racing Industry Workers' Trust Fund; advisory
3 board.

4 (a) The General Assembly finds that backstretch workers
5 play a critical role in the success and prosperity of the
6 racing industry. The General Assembly finds that there is a
7 need to improve the quality and viability of live racing in
8 Illinois by providing new resources to increase purse sizes and
9 to improve race track facilities. The General Assembly finds
10 that there is a concomitant responsibility and duty to address
11 the human service and housing needs of backstretch workers.

12 (b) There is hereby created a non-appropriated trust fund
13 to be known as the Racing Industry Workers' Trust Fund, which
14 is administered by the Board and held separate and apart from
15 State moneys. The Fund shall consist of moneys paid into it
16 under subsection (b) of Section 56 of this Act.

17 (c) The Board is authorized to use funds in the Racing
18 Industry Workers' Trust Fund to fund programs and initiatives
19 that improve the quality of life of backstretch workers.
20 Initiatives funded by the Board shall address needs such as
21 illiteracy, substance dependence, primary health care, child
22 care, housing, and any other social service need determined by
23 the Board.

24 (d) On December 31st of each year the Board shall report to
25 the General Assembly and the Governor on the programs funded by
26 the Board during the preceding fiscal year, the number of

1 persons served, and the working and living conditions of
2 backstretch workers.

3 (e) The Board shall appoint a Backstretch Programs Advisory
4 Board, who shall report to and advise the Board on matters
5 concerning backstretch conditions and needs. The Backstretch
6 Programs Advisory Board shall consist of the following 7
7 members:

8 (1) 2 persons who represent the interests of an
9 organization licensee;

10 (2) one person who represents the interests of
11 standardbred horsemen;

12 (3) one person who represents the interests of
13 thoroughbred horsemen;

14 (4) one person who is or was a backstretch worker;

15 (5) one person who advocates on behalf of backstretch
16 workers; and

17 (6) one person who has significant experience in
18 administering social services.

19 (f) The Board shall hire, in its sole discretion, a
20 backstretch workers' Program Coordinator who shall serve under
21 the direction of the Board to supervise and coordinate the
22 programs funded by the Racing Industry Workers' Trust Fund. The
23 Program Coordinator shall be paid from the Racing Industry
24 Workers' Trust Fund.

1 Sec. 31.3. Illinois Equine Research Trust Fund. There is
2 created a non-appropriated trust fund to be known as the
3 Illinois Equine Research Trust Fund, which is administered by
4 the Department of Agriculture and held separate and apart from
5 State moneys. The Fund shall consist of moneys paid into it
6 under subsection (b) of Section 56 of this Act. The Department
7 may use funds in the Illinois Equine Research Trust Fund to
8 award 2 equal grants to the University of Illinois and to
9 Southern Illinois University for equine research. The total
10 amount of each grant award shall be used for only the direct
11 costs of research.

12 The Illinois Equine Research Trust Fund shall not be
13 subject to sweeps, administrative charges, or charge backs,
14 including, but not limited to, those authorized under Section
15 8h of the State Finance Act, or any other fiscal or budgetary
16 maneuver that would in any way transfer any funds from the
17 Illinois Equine Research Trust Fund into any other fund of the
18 State.

19 (230 ILCS 5/34.3 new)

20 Sec. 34.3. Drug testing. The Illinois Racing Board and the
21 Department of Agriculture shall jointly establish a program for
22 the purpose of conducting random drug testing of horses at
23 county fairs and shall adopt any rules necessary for
24 enforcement of the program. The rules shall include appropriate
25 penalties for violations.

1 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

2 Sec. 36. (a) Whoever administers or conspires to administer
3 to any horse a hypnotic, narcotic, stimulant, depressant or any
4 chemical substance which may affect the speed of a horse at any
5 time in any race where the purse or any part of the purse is
6 made of money authorized by any Section of this Act, except
7 those chemical substances permitted by ruling of the Board,
8 internally, externally or by hypodermic method in a race or
9 prior thereto, or whoever knowingly enters a horse in any race
10 within a period of 24 hours after any hypnotic, narcotic,
11 stimulant, depressant or any other chemical substance which may
12 affect the speed of a horse at any time, except those chemical
13 substances permitted by ruling of the Board, has been
14 administered to such horse either internally or externally or
15 by hypodermic method for the purpose of increasing or retarding
16 the speed of such horse shall be guilty of a Class 4 felony.
17 The Board shall suspend or revoke such violator's license.

18 (b) The term "hypnotic" as used in this Section includes
19 all barbituric acid preparations and derivatives.

20 (c) The term "narcotic" as used in this Section includes
21 opium and all its alkaloids, salts, preparations and
22 derivatives, cocaine and all its salts, preparations and
23 derivatives and substitutes.

24 (d) The provisions of this Section 36 and the treatment
25 authorized herein apply to horses entered in and competing in

1 race meetings as defined in Section 3.47 of this Act and to
2 horses entered in and competing at any county fair.

3 (e) Drug testing for horses entered in and competing at any
4 county fair shall be conducted by the Department of
5 Agriculture, with the advice and assistance of the Board. The
6 Department of Agriculture, with the assistance of the Board,
7 shall adopt rules for drug testing, for horses entered in and
8 competing at any county fair.

9 (Source: P.A. 79-1185.)

10 (230 ILCS 5/42) (from Ch. 8, par. 37-42)

11 Sec. 42. (a) Except as to the distribution of monies
12 provided for by Sections 28, 29, 30, and 31 and the treating of
13 horses as provided in Section 36, nothing whatsoever in this
14 Act shall be held or taken to apply to county fairs and State
15 Fairs or to agricultural and livestock exhibitions where the
16 pari-mutuel system of wagering upon the result of horses is not
17 permitted or conducted.

18 (b) Nothing herein shall be construed to permit the
19 pari-mutuel method of wagering upon any race track unless such
20 race track is licensed under this Act. It is hereby declared to
21 be unlawful for any person to permit, conduct or supervise upon
22 any race track ground the pari-mutuel method of wagering except
23 in accordance with the provisions of this Act.

24 (c) Whoever violates subsection (b) of this Section is
25 guilty of a Class 4 felony.

1 (Source: P.A. 89-16, eff. 5-30-95.)

2 (230 ILCS 5/45) (from Ch. 8, par. 37-45)

3 Sec. 45. It shall be the duty of the Attorney General and
4 the various State's attorneys in this State in cooperation with
5 the Office of Gaming Enforcement ~~Department of State Police~~ to
6 enforce this Act. The Director of Gaming Enforcement ~~Governor~~
7 may, upon request of the Board ~~Department of State Police~~,
8 order the law enforcing officers of the various cities and
9 counties to assign a sufficient number of deputies to aid
10 ~~members of the Department of State Police~~ in preventing horse
11 racing at any track within the respective jurisdiction of such
12 cities or counties an organization license for which has been
13 refused, suspended or revoked by the Board. The Director of
14 Gaming Enforcement ~~Governor~~ may ~~similarly~~ assign ~~such~~ deputies
15 to aid the local law enforcement ~~Department of State Police~~
16 when, by his determination, additional forces are needed to
17 preserve the health, welfare or safety of any person or animal
18 within the grounds of any race track in the State.

19 (Source: P.A. 84-25.)

20 (230 ILCS 5/56 new)

21 Sec. 56. Electronic gaming.

22 (a) An organization licensee may apply to the Gaming Board
23 for an electronic gaming license pursuant to Section 7.7 of the
24 Illinois Gambling Act. An electronic gaming licensee may not

1 permit persons under 21 years of age to be present in its
2 electronic gaming facility, but the licensee may accept wagers
3 on live racing and inter-track wagers at its electronic gaming
4 facility.

5 (a-5) An amount equal to 15% of the total adjusted gross
6 receipts received by an electronic gaming licensee from
7 electronic gaming shall be paid to purse accounts.

8 Moneys paid into purse equity accounts by licensees at
9 tracks located in counties other than Madison County shall be
10 maintained separately from moneys paid into purse equity
11 accounts by a licensee at a track located in Madison County.

12 Of the moneys paid to purse equity accounts by an
13 electronic gaming licensee located in a county other than
14 Madison County, 57% of the moneys shall be paid into a single
15 thoroughbred purse pool and 43% of the moneys shall be paid
16 into a single standardbred purse pool. Each calendar year,
17 moneys in the thoroughbred purse pool shall be distributed
18 equally for each awarded racing date to the thoroughbred purse
19 accounts of each organization licensee that paid money into the
20 thoroughbred purse pool. Each calendar year, moneys in the
21 standardbred purse pool shall be distributed equally for each
22 awarded racing date to the standardbred purse accounts of each
23 organization licensee that paid money into the standardbred
24 purse pool.

25 Of the moneys paid into purse equity accounts by an
26 electronic gaming licensee located in Madison County, 70% shall

1 be paid to its thoroughbred purse account and 30% shall be paid
2 to its standardbred purse account.

3 (b) After payment required under subsection (a-5) of this
4 Section and Section 13 of the Illinois Gambling Act, the
5 adjusted gross receipts received by all electronic gaming
6 licensees from electronic gaming shall be distributed as
7 follows:

8 (1) a total of \$4,100,000 annually shall be paid to the
9 Illinois Colt Stakes Purse Distribution Fund;

10 (2) a total of \$250,000 annually shall be paid to the
11 Illinois Racing Quarter Horse Breeders Fund;

12 (3) a total of \$500,000 annually shall be paid to the
13 Illinois Equine Research Trust Fund;

14 (4) a total of \$1,000,000 annually shall be paid to the
15 Racing Industry Workers' Trust Fund;

16 (5) an amount equal to 2.25% of adjusted gross receipts
17 from each electronic gaming licensee shall be paid to the
18 Illinois Thoroughbred Breeders Fund and the Illinois
19 Standardbred Breeders Fund, divided pro rata based on the
20 proportion of live thoroughbred racing and live
21 standardbred racing conducted at that licensee's race
22 track; and

23 (6) an amount equal to 0.25% of adjusted gross receipts
24 from each electronic gaming licensee shall be paid to the
25 licensee's live racing and horse ownership promotional
26 account; and

1 (7) the remainder shall be retained by the licensee.

2 (c) The moneys collected pursuant to items (1), (2), (3),
3 and (4) of subsection (b) of this Section is payable by the
4 licensees on a pro-rated basis, based on each licensee's
5 adjusted gross receipts. The Illinois Gaming Board shall
6 provide the Illinois Racing Board with the information needed
7 to make this determination. The Illinois Racing Board shall
8 adopt rules for the administration of this Section.

9 (d) Moneys distributed under this subsection (b) shall be
10 distributed as directed by the Board.

11 (e) As a condition of licensure, an electronic gaming
12 licensee must expend an amount equal to the sum of (i) amounts
13 expended in 2007; (ii) the amounts required in item (6) of
14 subsection (b) of this Section; and (iii) the amount of
15 pari-mutuel tax credit received under Section 32.1 of this Act
16 for the purpose of live racing and horse ownership promotion.
17 The Board shall adopt rules to enforce this subsection (e),
18 including reasonable fines and penalties for noncompliance.

19 (230 ILCS 5/57 new)

20 Sec. 57. Compliance report.

21 (a) The Board shall prepare a report once every 2 years
22 regarding the compliance of each electronic gaming licensee
23 with this Act and the electronic gaming licensee's support of
24 live racing. The Board shall determine whether each electronic
25 gaming licensee has maintained an appropriate level of live

1 horse racing. In making that determination, the Board shall
2 consider all of the following factors:

3 (1) The increase, if any, in the on-track handle at the
4 race track where the electronic gaming facility is located.

5 (2) The increase, if any, in purses at the racing
6 facility where electronic gaming facility is located.

7 (3) Investments in capital improvements made by the
8 organization licensee to the racing facility, excluding
9 electronic gaming areas.

10 (b) If the Board finds that a licensee has failed to comply
11 with this Act or has substantially failed to support live
12 racing, then the Board may do any of the following:

13 (1) Issue a warning to the organization licensee.

14 (2) Impose a civil penalty upon the organization
15 licensee.

16 (3) Suspend or revoke the organization license.

17 Section 90-40. The Riverboat Gambling Act is amended by
18 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.4, 7.5, 8, 9,
19 11, 11.1, 11.2, 12, 13, 14, 17, 18, 19, and 20 and by adding
20 Sections 5.2, 5.3, 5.4, 5.5, 5.7, 7.6, 7.7, 7.8, 7.10, 7.11,
21 7.11a, 7.12, 7.14, 7.15, 7.25, 7.30, 9.3, 9.5, 12.1, 13.2,
22 14.5, 17.2, 22.5, and 22.6 as follows:

23 (230 ILCS 10/1) (from Ch. 120, par. 2401)

24 Sec. 1. Short title. This Act shall be known and may be

1 cited as the Illinois Riverboat ~~Riverboat~~ Gambling Act.

2 (Source: P.A. 86-1029.)

3 (230 ILCS 10/2) (from Ch. 120, par. 2402)

4 Sec. 2. Legislative intent; findings ~~Intent~~.

5 (a) This Act is intended to benefit the people of the State
6 of Illinois by assisting economic development and promoting
7 Illinois tourism and by increasing the amount of revenues
8 available to the State for infrastructure and capital programs
9 and to assist and support education.

10 (b) While authorization of riverboat gambling will enhance
11 investment, development and tourism in Illinois, it is
12 recognized that it will do so successfully only if public
13 confidence and trust in the credibility and integrity of the
14 gambling operations and the regulatory process is maintained.
15 Therefore, regulatory provisions of this Act are designed to
16 strictly regulate the facilities, persons, associations and
17 practices related to gambling operations pursuant to the police
18 powers of the State, including comprehensive law enforcement
19 supervision.

20 (c) The Illinois Gaming Board established under this Act
21 should, as soon as possible, inform each applicant for an
22 owners license of the Board's intent to grant or deny a
23 license.

24 (d) The General Assembly finds that the Illinois gaming
25 industry does not include a fair proportion of minority and

1 female ownership participation in the gaming industry. It is
2 vital to the gaming industry in this State to promote diverse
3 interests in order to create social and economic parity. As a
4 result of historical exclusion within the gaming industry,
5 there is a need to increase the number of minority and female
6 owners within the State. The State shall require that at least
7 20% of an owners licensee's or casino licensee's equity
8 interest be awarded to minorities and at least 5% of an owners
9 licensee's or casino licensee's equity interest be awarded to
10 women for all licenses awarded after the effective date of this
11 amendatory Act of the 95th General Assembly.

12 (Source: P.A. 93-28, eff. 6-20-03.)

13 (230 ILCS 10/3) (from Ch. 120, par. 2403)

14 Sec. 3. ~~Riverboat~~ Gambling Authorized.

15 (a) Riverboat gambling operations, casino gambling
16 operations, and electronic gaming operations ~~and the system of~~
17 ~~wagering incorporated therein~~, as defined in this Act, are
18 hereby authorized to the extent that they are carried out in
19 accordance with the provisions of this Act.

20 (b) This Act does not apply to the pari-mutuel system of
21 wagering or to advance deposit wagering used or intended to be
22 used in connection with the horse-race meetings as authorized
23 under the Illinois Horse Racing Act of 1975, lottery games
24 authorized under the Illinois Lottery Law, bingo authorized
25 under the Bingo License and Tax Act, charitable games

1 authorized under the Charitable Games Act or pull tabs and jar
2 games conducted under the Illinois Pull Tabs and Jar Games Act.

3 (c) Riverboat gambling conducted pursuant to this Act may
4 be authorized upon any water within the State of Illinois or
5 any water other than Lake Michigan which constitutes a boundary
6 of the State of Illinois. A casino licensee shall not conduct
7 gaming upon any water or lakefront within the City of Chicago.
8 Notwithstanding any provision in this subsection (c) to the
9 contrary, a licensee may conduct gambling at its home dock
10 facility as provided in Sections 7 and 11. A licensee may
11 conduct riverboat gambling authorized under this Act
12 regardless of whether it conducts excursion cruises. A licensee
13 may permit the continuous ingress and egress of passengers for
14 the purpose of gambling.

15 (d) Gambling that is conducted in accordance with this Act
16 using slot machines, video games of chance, and electronic
17 gambling games shall be authorized at electronic gaming
18 facilities as provided in this Act.

19 (Source: P.A. 91-40, eff. 6-25-99.)

20 (230 ILCS 10/4) (from Ch. 120, par. 2404)

21 Sec. 4. Definitions. As used in this Act:

22 "Authority" means the Chicago Casino Development
23 Authority.

24 "State Authority" means the Illinois Casino Development
25 Authority.

1 ~~(a)~~ "Board" means the Illinois Gaming Board.

2 ~~(b)~~ "Occupational license" means a license issued by the
3 Board to a person or entity to perform an occupation which the
4 Board has identified as requiring a license to engage in
5 ~~riverboat~~ gambling in Illinois.

6 ~~(c)~~ "Gambling game" includes, but is not limited to,
7 baccarat, twenty-one, poker, craps, slot machine, video game of
8 chance, roulette wheel, klondike table, punchboard, faro
9 layout, keno layout, numbers ticket, push card, jar ticket, or
10 pull tab which is authorized by the Board as a wagering device
11 under this Act.

12 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
13 permanently moored barge, or permanently moored barges that are
14 permanently fixed together to operate as one vessel, on which
15 lawful gambling is authorized and licensed as provided in this
16 Act.

17 ~~(e)~~ "Managers license" means a license issued by the Board
18 to a person or entity to manage gambling operations conducted
19 by the State pursuant to Section 7.3.

20 ~~(f)~~ "Dock" means the location where a riverboat moors for
21 the purpose of embarking passengers for and disembarking
22 passengers from the riverboat.

23 ~~(g)~~ "Gross receipts" means the total amount of cash or any
24 instrument exchangeable for cash ~~money~~ exchanged for the
25 purchase of chips, tokens or electronic cards by ~~riverboat~~
26 patrons on a riverboat, in a casino, or at an electronic gaming

1 facility. "Gross receipts" includes revenues derived by the
2 gaming licensee from the conduct of electronic poker.

3 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less
4 winnings paid to wagerers.

5 ~~(i)~~ "Cheat" means to alter the selection of criteria which
6 determine the result of a gambling game or electronic poker
7 outcome or the amount or frequency of payment in a gambling
8 game or electronic poker.

9 ~~(j)~~ ~~"Department" means the Department of Revenue.~~

10 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
11 gambling games and electronic poker authorized under this Act
12 on ~~upon~~ a riverboat, in a casino, or at an electronic gaming
13 facility as authorized under this Act.

14 ~~(l)~~ "License bid" means the lump sum amount of money that
15 an applicant bids and agrees to pay the State in return for an
16 owners license that is re-issued on or after July 1, 2003.

17 ~~(m)~~ The terms "minority person" and "female" shall have the
18 same meaning as defined in Section 2 of the Business Enterprise
19 for Minorities, Females, and Persons with Disabilities Act.

20 "Casino" means a land-based facility at which lawful
21 gambling is authorized and licensed as provided in this Act.

22 "Owners license" means a license to conduct riverboat
23 gambling operations, but does not include a casino license or
24 an electronic gaming license.

25 "Electronic gaming license" means a license issued by the
26 Board under Section 7.7 of this Act authorizing electronic

1 gaming at an electronic gaming facility.

2 "Electronic gaming" means the conduct of gambling using
3 slot machines, video games of chance, and electronic gambling
4 games at a race track licensed under the Illinois Horse Racing
5 Act of 1975 pursuant to the Illinois Horse Racing Act of 1975
6 and this Act.

7 "Electronic gaming facility" means the area where the Board
8 has authorized electronic gaming at a race track of an
9 organization licensee under the Illinois Horse Racing Act of
10 1975 that holds an electronic gaming license.

11 "Organization license" means a license issued by the
12 Illinois Racing Board authorizing the conduct of pari-mutuel
13 wagering in accordance with the Illinois Horse Racing Act of
14 1975.

15 "Gaming license" includes an owners license, a casino
16 license, an electronic gaming license, a managers license, and
17 a casino operator license.

18 "Licensed facility" means a riverboat, a casino, or an
19 electronic gaming facility.

20 "Electronic poker" means a form of gambling operation by
21 which players can play poker electronically via a network of
22 machines at the same or any other licensed facility in this
23 State. "Electronic poker" is not considered a gambling game as
24 defined by this Act.

25 "Casino license" means a license held to conduct or cause
26 to be conducted gambling operations at a casino.

1 "Casino operator license" means a license held by a person
2 or entity selected to manage and operate a casino pursuant to a
3 casino management contract.

4 "License" includes all licenses authorized under this Act,
5 including a gaming license, an occupational license, and
6 suppliers license.

7 "State casino license" means the license held by the State
8 Authority to conduct or cause to be conducted gambling
9 operations at a casino pursuant to this Act and the Illinois
10 Casino Development Authority Act.

11 "State casino operator license" means the license held by
12 the person or entity selected by the State Authority to manage
13 and operate a casino within the State pursuant to a casino
14 management contract, as provided for under the Illinois Casino
15 Development Authority Act.

16 (Source: P.A. 95-331, eff. 8-21-07.)

17 (230 ILCS 10/5) (from Ch. 120, par. 2405)

18 Sec. 5. Gaming Board.

19 (a) (1) There is hereby established the ~~within the~~
20 ~~Department of Revenue an~~ Illinois Gaming Board, l which shall
21 have the powers and duties specified in this Act, and all other
22 powers necessary and proper to fully and effectively execute
23 this Act for the purpose of administering and ~~regulating, and~~
24 ~~enforcing~~ the system of ~~riverboat~~ gambling established by this
25 Act. Its jurisdiction shall extend under this Act to every

1 person, association, corporation, partnership and trust
2 involved in ~~riverboat~~ gambling operations in the State of
3 Illinois.

4 (2) The Board shall consist of 5 members to be appointed by
5 the Governor with the advice and consent of the Senate, one of
6 whom shall be designated by the Governor to be chairperson
7 ~~chairman~~. Each member shall have a reasonable knowledge of the
8 practice, procedure and principles of gambling operations.
9 Each member shall either be a resident of Illinois or shall
10 certify that he or she will become a resident of Illinois
11 before taking office. The term of office of each member of the
12 Board serving on the effective date of this amendatory Act of
13 the 95th General Assembly ends when all of their successors are
14 appointed and qualified pursuant to this amendatory Act of the
15 95th General Assembly. Members appointed pursuant to this
16 amendatory Act of the 95th General Assembly and their
17 successors shall serve on a full-time basis and may not hold
18 any other employment for which they are compensated.

19 Beginning on the effective date of this amendatory Act of
20 the 95th General Assembly, the Board shall consist of 5 members
21 appointed by the Governor from nominations presented to the
22 Governor by the Nomination Panel and with the advice and
23 consent of the Senate. The Board must include the following:

24 (1) One member must have, at a minimum, a bachelor's
25 degree from an accredited school and at least 10 years of
26 verifiable training and experience in the fields of

1 investigation and law enforcement.

2 (2) One member must be a certified public accountant
3 with experience in auditing and with knowledge of complex
4 corporate structures and transactions.

5 (3) Two members must have 5 years' experience as a
6 principal, senior officer, or director of a company or
7 business with either material responsibility for the daily
8 operations and management of the overall company or
9 business or material responsibility for the policy making
10 of the company or business.

11 (4) One member must be a former judge elected or
12 appointed to judicial office in Illinois or former federal
13 judge appointed to serve in Illinois.

14 No more than 3 members of the Board may be from the same
15 political party. No more than 3 members may reside within Cook,
16 Will, Lake, DuPage, or Kane County. The Board should reflect
17 the ethnic, cultural, and geographic diversity of the State.
18 Each member shall have a reasonable knowledge of the practice,
19 procedures, and principles of gambling operations. No Board
20 member, within a period of 2 years immediately preceding
21 nomination, shall have been employed or received compensation
22 or fees for services from a person or entity, or its parent or
23 affiliate, that has engaged in business with the Board, a
24 licensee, or a licensee under the Horse Racing Act of 1975.
25 Each member shall either be a resident of Illinois or shall
26 certify that he or she will become a resident of Illinois

1 ~~before taking office. At least one member shall be experienced~~
2 ~~in law enforcement and criminal investigation, at least one~~
3 ~~member shall be a certified public accountant experienced in~~
4 ~~accounting and auditing, and at least one member shall be a~~
5 ~~lawyer licensed to practice law in Illinois.~~

6 (3) The terms of office of the Board members shall be 4 ~~3~~
7 years, except that the terms of office of the initial Board
8 members appointed pursuant to this amendatory Act of the 95th
9 General Assembly Act will commence from the effective date of
10 this amendatory Act and run as follows, to be determined by
11 lot: one for a term ending July 1 of the year following
12 confirmation, 1991, one ~~2~~ for a term ending July 1 two years
13 following confirmation, 1992, one ~~and 2~~ for a term ending July
14 1 three years following confirmation, and 2 for a term ending
15 July 1 four years following confirmation 1993. Upon the
16 expiration of the foregoing terms, the successors of such
17 members shall serve a term for 4 ~~3~~ years and until their
18 successors are appointed and qualified for like terms.
19 Vacancies in the Board shall be filled for the unexpired term
20 in like manner as original appointments. Each member of the
21 Board shall be eligible for reappointment, subject to the
22 nomination process of the Nomination Panel, by at the
23 ~~discretion of~~ the Governor with the advice and consent of the
24 Senate.

25 Until all 5 members of the Board are appointed and
26 qualified pursuant to this amendatory Act of the 95th General

1 Assembly, the Illinois Gaming Board may not act with regard to
2 any license under which gambling operations are not being
3 conducted on the effective date of this amendatory Act,
4 excluding the dormant license as defined in subsection (a-3) of
5 Section 13; however, the Board may authorize additional
6 positions at riverboats in operation on the effective date of
7 this amendatory Act and issue electronic gaming licenses
8 pursuant to this amendatory Act.

9 (4) The chairman of the Board shall receive an annual
10 salary equal to the annual salary of a State appellate court
11 judge. Other members of the Board shall receive an annual
12 salary equal to the annual salary of a State circuit court
13 judge. Each member of the Board shall receive \$300 for each day
14 the Board meets and for each day the member conducts any
15 hearing pursuant to this Act. Each member of the Board shall
16 also be reimbursed for all actual and necessary expenses and
17 disbursements incurred in the execution of official duties.

18 (5) (Blank). No person shall be appointed a member of the
19 Board or continue to be a member of the Board who is, or whose
20 spouse, child or parent is, a member of the board of directors
21 of, or a person financially interested in, any gambling
22 operation subject to the jurisdiction of this Board, or any
23 race track, race meeting, racing association or the operations
24 thereof subject to the jurisdiction of the Illinois Racing
25 Board. No Board member shall hold any other public office for
26 which he shall receive compensation other than necessary travel

1 ~~or other incidental expenses. No person shall be a member of~~
2 ~~the Board who is not of good moral character or who has been~~
3 ~~convicted of, or is under indictment for, a felony under the~~
4 ~~laws of Illinois or any other state, or the United States.~~

5 (6) Any member of the Board may be removed by the Governor
6 for neglect of duty, misfeasance, malfeasance, or nonfeasance
7 in office or for engaging in any political activity.

8 (7) Before entering upon the discharge of the duties of his
9 office, each member of the Board shall take an oath that he
10 will faithfully execute the duties of his office according to
11 the laws of the State and the rules and regulations adopted
12 therewith and shall give bond to the State of Illinois,
13 approved by the Governor, in the sum of \$25,000. Every such
14 bond, when duly executed and approved, shall be recorded in the
15 office of the Secretary of State. Whenever the Governor
16 determines that the bond of any member of the Board has become
17 or is likely to become invalid or insufficient, he shall
18 require such member forthwith to renew his bond, which is to be
19 approved by the Governor. Any member of the Board who fails to
20 take oath and give bond within 30 days from the date of his
21 appointment, or who fails to renew his bond within 30 days
22 after it is demanded by the Governor, shall be guilty of
23 neglect of duty and may be removed by the Governor. The cost of
24 any bond given by any member of the Board under this Section
25 shall be taken to be a part of the necessary expenses of the
26 Board.

1 (8) ~~The~~ ~~Upon the request of the Board, the Department~~ shall
2 employ such personnel as may be necessary to carry out ~~its~~ ~~the~~
3 functions and shall determine the salaries of all personnel,
4 except those personnel whose salaries are determined under the
5 terms of a collective bargaining agreement ~~of the Board~~. No
6 person shall be employed to serve the Board who is, or whose
7 spouse, parent or child is, an official of, or has a financial
8 interest in or financial relation with, any operator engaged in
9 gambling operations within this State or any organization
10 engaged in conducting horse racing within this State. For the 2
11 years immediately preceding employment, an employee shall not
12 have been employed or received compensation or fees for
13 services from a person or entity, or its parent or affiliate,
14 that has engaged in business with the Board, a licensee, or a
15 licensee under the Horse Racing Act of 1975. Any employee
16 violating these prohibitions shall be subject to termination of
17 employment.

18 (9) An Administrator shall perform any and all duties that
19 the Board shall assign him. The salary of the Administrator
20 shall be determined by the Board ~~and approved by the Director~~
21 ~~of the Department~~ and, in addition, he shall be reimbursed for
22 all actual and necessary expenses incurred by him in discharge
23 of his official duties. The Administrator shall keep records of
24 all proceedings of the Board and shall preserve all records,
25 books, documents and other papers belonging to the Board or
26 entrusted to its care. The Administrator shall devote his full

1 time to the duties of the office and shall not hold any other
2 office or employment.

3 (b) The Board shall have general responsibility for the
4 implementation of this Act. Its duties include, without
5 limitation, the following:

6 (1) To decide promptly and in reasonable order all
7 license applications. Any party aggrieved by an action of
8 the Board denying, suspending, revoking, restricting or
9 refusing to renew a license may request a hearing before
10 the Board. A request for a hearing must be made to the
11 Board in writing within 5 days after service of notice of
12 the action of the Board. Notice of the action of the Board
13 shall be served either by personal delivery or by certified
14 mail, postage prepaid, to the aggrieved party. Notice
15 served by certified mail shall be deemed complete on the
16 business day following the date of such mailing. The Board
17 shall conduct all requested hearings promptly and in
18 reasonable order;

19 (2) To conduct all hearings pertaining to civil
20 violations of this Act or rules and regulations promulgated
21 hereunder;

22 (3) To promulgate such rules and regulations as in its
23 judgment may be necessary to protect or enhance the
24 credibility and integrity of gambling operations
25 authorized by this Act and the regulatory process
26 hereunder;

1 (4) To provide for the establishment and collection of
2 all license and registration fees and taxes imposed by this
3 Act and the rules and regulations issued pursuant hereto.
4 All such fees and taxes shall be deposited into the State
5 Gaming Fund, unless otherwise provided for;

6 (5) To provide for the levy and collection of penalties
7 and fines for the violation of provisions of this Act and
8 the rules and regulations promulgated hereunder. All such
9 fines and penalties shall be deposited into the Education
10 Assistance Fund, created by Public Act 86-0018, of the
11 State of Illinois;

12 (6) (Blank) ~~To be present through its inspectors and~~
13 ~~agents any time gambling operations are conducted on any~~
14 ~~riverboat for the purpose of certifying the revenue~~
15 ~~thereof, receiving complaints from the public, and~~
16 ~~conducting such other investigations into the conduct of~~
17 ~~the gambling games and the maintenance of the equipment as~~
18 ~~from time to time the Board may deem necessary and proper;~~

19 (7) To review and rule upon any complaint by a licensee
20 regarding any investigative procedures of the State which
21 are unnecessarily disruptive of gambling operations. The
22 need to inspect and investigate shall be presumed at all
23 times. The disruption of a licensee's operations shall be
24 proved by clear and convincing evidence, and establish
25 that: (A) the procedures had no reasonable law enforcement
26 purposes, and (B) the procedures were so disruptive as to

1 unreasonably inhibit gambling operations;

2 (8) (Blank) ~~To hold at least one meeting each quarter~~
3 ~~of the fiscal year. In addition, special meetings may be~~
4 ~~called by the Chairman or any 2 Board members upon 72 hours~~
5 ~~written notice to each member. All Board meetings shall be~~
6 ~~subject to the Open Meetings Act. Three members of the~~
7 ~~Board shall constitute a quorum, and 3 votes shall be~~
8 ~~required for any final determination by the Board. The~~
9 ~~Board shall keep a complete and accurate record of all its~~
10 ~~meetings. A majority of the members of the Board shall~~
11 ~~constitute a quorum for the transaction of any business,~~
12 ~~for the performance of any duty, or for the exercise of any~~
13 ~~power which this Act requires the Board members to~~
14 ~~transact, perform or exercise en banc, except that, upon~~
15 ~~order of the Board, one of the Board members or an~~
16 ~~administrative law judge designated by the Board may~~
17 ~~conduct any hearing provided for under this Act or by Board~~
18 ~~rule and may recommend findings and decisions to the Board.~~
19 ~~The Board member or administrative law judge conducting~~
20 ~~such hearing shall have all powers and rights granted to~~
21 ~~the Board in this Act. The record made at the time of the~~
22 ~~hearing shall be reviewed by the Board, or a majority~~
23 ~~thereof, and the findings and decision of the majority of~~
24 ~~the Board shall constitute the order of the Board in such~~
25 ~~case;~~

26 (9) To maintain records which are separate and distinct

1 from the records of any other State board or commission.
2 Such records shall be available for public inspection and
3 shall accurately reflect all Board proceedings;

4 (10) (Blank) ~~To file a written annual report with the~~
5 ~~Governor on or before March 1 each year and such additional~~
6 ~~reports as the Governor may request. The annual report~~
7 ~~shall include a statement of receipts and disbursements by~~
8 ~~the Board, actions taken by the Board, and any additional~~
9 ~~information and recommendations which the Board may deem~~
10 ~~valuable or which the Governor may request;~~

11 (11) (Blank); ~~and~~

12 (12) (Blank); ~~and To assume responsibility for the~~
13 ~~administration and enforcement of the Bingo License and Tax~~
14 ~~Act, the Charitable Games Act, and the Pull Tabs and Jar~~
15 ~~Games Act if such responsibility is delegated to it by the~~
16 ~~Director of Revenue.~~

17 (13) To assume responsibility for the administration
18 and enforcement of operations at electronic gaming
19 facilities pursuant to this Act.

20 (c) The Board shall have jurisdiction over and shall
21 supervise all gambling operations governed by this Act. The
22 Board shall have all powers necessary and proper to fully and
23 effectively execute the provisions of this Act, including, but
24 not limited to, the following:

25 (1) To ~~investigate applicants and~~ determine the
26 eligibility of applicants for licenses and to select among

1 competing applicants the applicants which best serve the
2 interests of the citizens of Illinois.

3 (2) To have jurisdiction and supervision over all
4 ~~riverboat~~ gambling operations authorized under this Act ~~in~~
5 ~~this State~~ and all persons in places ~~on riverboats~~ where
6 gambling operations are conducted.

7 (3) To promulgate rules and regulations for the purpose
8 of administering the provisions of this Act and to
9 prescribe rules, regulations and conditions under which
10 all ~~riverboat~~ gambling operations subject to this Act ~~in~~
11 ~~the State~~ shall be conducted. Such rules and regulations
12 are to provide for the prevention of practices detrimental
13 to the public interest and for the best interests of
14 ~~riverboat~~ gambling, including rules and regulations
15 regarding the inspection of licensed facilities ~~such~~
16 ~~riverboats~~ and the review of any permits or licenses
17 necessary to operate a licensed facility ~~riverboat~~ under
18 any laws or regulations applicable to licensed facilities
19 ~~riverboats,~~ and to impose penalties for violations
20 thereof.

21 (4) (Blank). ~~To enter the office, riverboats,~~
22 ~~facilities, or other places of business of a licensee,~~
23 ~~where evidence of the compliance or noncompliance with the~~
24 ~~provisions of this Act is likely to be found.~~

25 (5) To ~~investigate alleged violations of this Act or~~
26 ~~the rules of the Board and to~~ take appropriate disciplinary

1 action against a licensee ~~or a holder of an occupational~~
2 ~~license~~ for a violation, or institute appropriate legal
3 action for enforcement, or both.

4 (6) To adopt standards for the licensing of all persons
5 under this Act, as well as for electronic or mechanical
6 gambling games, and to establish fees for such licenses.

7 (7) To adopt appropriate standards for all licensed
8 facilities authorized under this Act ~~riverboats and~~
9 ~~facilities~~.

10 (8) To require that the records, including financial or
11 other statements of any licensee under this Act, shall be
12 kept in such manner as prescribed by the Board and that any
13 such licensee involved in the ownership or management of
14 gambling operations submit to the Board an annual balance
15 sheet and profit and loss statement, list of the
16 stockholders or other persons having a 1% or greater
17 beneficial interest in the gambling activities of each
18 licensee, and any other information the Board deems
19 necessary in order to effectively administer this Act and
20 all rules, regulations, orders and final decisions
21 promulgated under this Act.

22 (9) To conduct hearings, issue subpoenas for the
23 attendance of witnesses and subpoenas duces tecum for the
24 production of books, records and other pertinent documents
25 in accordance with the Illinois Administrative Procedure
26 Act, and to administer oaths and affirmations to the

1 witnesses, when, in the judgment of the Board, it is
2 necessary to administer or enforce this Act or the Board
3 rules.

4 (10) To prescribe a form to be used by any licensee
5 involved in the ownership or management of gambling
6 operations as an application for employment for their
7 employees.

8 (11) To revoke or suspend licenses, as the Board may
9 see fit and in compliance with applicable laws of the State
10 regarding administrative procedures, and to review
11 applications for the renewal of licenses.

12 (11.5) To ~~The Board may~~ suspend a ~~an owners~~ license,
13 without notice or hearing, upon a determination that the
14 safety or health of patrons or employees is jeopardized by
15 continuing a gambling operation conducted under that
16 license ~~a riverboat's operation~~. The suspension may remain
17 in effect until the Board determines that the cause for
18 suspension has been abated. After such a suspension, the
19 ~~The~~ Board may revoke a ~~the owners~~ license upon a
20 determination that the licensee ~~owner~~ has not made
21 satisfactory progress toward abating the hazard.

22 (12) (Blank). ~~To eject or exclude or authorize the~~
23 ~~ejection or exclusion of, any person from riverboat~~
24 ~~gambling facilities where such person is in violation of~~
25 ~~this Act, rules and regulations thereunder, or final orders~~
26 ~~of the Board, or where such person's conduct or reputation~~

1 ~~is such that his presence within the riverboat gambling~~
2 ~~facilities may, in the opinion of the Board, call into~~
3 ~~question the honesty and integrity of the gambling~~
4 ~~operations or interfere with orderly conduct thereof;~~
5 ~~provided that the propriety of such ejection or exclusion~~
6 ~~is subject to subsequent hearing by the Board.~~

7 (13) To require all gaming licensees ~~of gambling~~
8 ~~operations~~ to utilize a cashless wagering system whereby
9 all players' money is converted to tokens, electronic
10 cards, or chips which shall be used only for wagering in
11 the gambling establishment.

12 (14) (Blank).

13 (15) To suspend, revoke or restrict licenses, to
14 require the removal of a licensee or an employee of a
15 licensee for a violation of this Act or a Board rule or for
16 engaging in a fraudulent practice, and to impose civil
17 penalties of up to \$5,000 against individuals and up to
18 \$10,000 or an amount equal to the daily gross receipts,
19 whichever is larger, against licensees for each violation
20 of any provision of the Act, any rules adopted by the
21 Board, any order of the Board or any other action which, in
22 the Board's discretion, is a detriment or impediment to
23 ~~riverboat~~ gambling operations.

24 (16) To hire employees to ~~gather information, conduct~~
25 ~~investigations and~~ carry out any other tasks contemplated
26 under this Act.

1 (17) To establish minimum levels of insurance to be
2 maintained by licensees.

3 (18) To authorize a gaming licensee to sell or serve
4 alcoholic liquors, wine or beer as defined in the Liquor
5 Control Act of 1934 in a licensed facility ~~on board a~~
6 ~~riverboat~~ and to have exclusive authority to establish the
7 hours for sale and consumption of alcoholic liquor in a
8 licensed facility ~~on board a riverboat~~, notwithstanding
9 any provision of the Liquor Control Act of 1934 or any
10 local ordinance, and regardless of whether the riverboat
11 makes excursions. The establishment of the hours for sale
12 and consumption of alcoholic liquor in a licensed facility
13 ~~on board a riverboat~~ is an exclusive power and function of
14 the State. A home rule unit may not establish the hours for
15 sale and consumption of alcoholic liquor in a licensed
16 facility ~~on board a riverboat~~. This subdivision (18)
17 ~~amendatory Act of 1991~~ is a denial and limitation of home
18 rule powers and functions under subsection (h) of Section 6
19 of Article VII of the Illinois Constitution.

20 (19) After consultation with the U.S. Army Corps of
21 Engineers, to establish binding emergency orders upon the
22 concurrence of a majority of the members of the Board
23 regarding the navigability of water, relative to
24 excursions, in the event of extreme weather conditions,
25 acts of God or other extreme circumstances.

26 (20) To delegate the execution of any of its powers

1 under this Act for the purpose of administering and
2 enforcing this Act and its rules and regulations hereunder.

3 (21) To make rules concerning the conduct of electronic
4 gaming.

5 (22) To make rules concerning the conduct of electronic
6 poker.

7 (23) To review all contracts entered into by gaming
8 licensees authorized under this Act. The Board must review
9 and approve all contracts entered into by a gaming licensee
10 for an aggregate amount of \$10,000 or more or for a term to
11 exceed 365 days. If an electronic gaming licensee enters
12 into a contract that is exclusively related to the
13 operation of the licensee's race track, however, then no
14 Board approval is necessary. If there is any doubt as to
15 whether a contract entered into is exclusively related to
16 the operation of the licensee's race track, then the
17 contract shall be determined to be subject to the
18 jurisdiction of the Board. If a contract has been entered
19 into prior to Board authorization of a requested action,
20 including without limitation a contract for a construction
21 project for expansion of a facility, or for construction of
22 a relocated facility, then the contract is not valid until
23 the Board approves both the requested action and the
24 contract itself.

25 (24) ~~(21)~~ To take any other action as may be reasonable
26 or appropriate to enforce this Act and rules and

1 regulations hereunder.

2 (d) (Blank). ~~The Board may seek and shall receive the~~
3 ~~cooperation of the Department of State Police in conducting~~
4 ~~background investigations of applicants and in fulfilling its~~
5 ~~responsibilities under this Section. Costs incurred by the~~
6 ~~Department of State Police as a result of such cooperation~~
7 ~~shall be paid by the Board in conformance with the requirements~~
8 ~~of Section 2605 400 of the Department of State Police Law (20~~
9 ~~ILCS 2605/2605-400).~~

10 (e) (Blank). ~~The Board must authorize to each investigator~~
11 ~~and to any other employee of the Board exercising the powers of~~
12 ~~a peace officer a distinct badge that, on its face, (i) clearly~~
13 ~~states that the badge is authorized by the Board and (ii)~~
14 ~~contains a unique identifying number. No other badge shall be~~
15 ~~authorized by the Board.~~

16 (f) Except as provided in subsection (h) of Section 5.4,
17 all Board meetings are subject to the Open Meetings Act. Three
18 members of the Board constitute a quorum, and 3 votes are
19 required for any final determination by the Board. The Board
20 shall keep a complete and accurate record of all its meetings.
21 A majority of the members of the Board constitute a quorum for
22 the transaction of any business, for the performance of any
23 duty, or for the exercise of any power that this Act requires
24 the Board members to transact, perform, or exercise en banc,
25 except that, upon order of the Board, one of the Board members
26 or an administrative law judge designated by the Board may

1 conduct any hearing provided for under this Act or by Board
2 rule and may recommend findings and decisions to the Board. The
3 Board member or administrative law judge conducting such
4 hearing has all powers and rights granted to the Board in this
5 Act. The record made at the time of the hearing shall be
6 reviewed by the Board, or a majority thereof, and the findings
7 and decision of the majority of the Board constitutes the order
8 of the Board in such case.

9 (g) The Board shall carry on a continuous study of the
10 operation and administration of gaming laws that may be in
11 effect in other jurisdictions, literature on this subject that
12 may from time to time become available, federal laws that may
13 affect the operation of gaming in this State, and the reaction
14 of Illinois citizens to existing and potential features of
15 gaming under this Act. The Board is responsible for
16 ascertaining any defects in this Act or in the rules adopted
17 thereunder, formulating recommendations for changes in this
18 Act to prevent abuses thereof, guarding against the use of this
19 Act as a cloak for the carrying on of illegal gambling or other
20 criminal activities, and insuring that this Act and the rules
21 are in such form and so administered as to serve the true
22 purposes of this Act.

23 (h) Prior to the issuance of the license authorized by
24 Section 7.11a, the Board shall conduct a study of the
25 feasibility of granting that license to the State Authority as
26 opposed to a privately owned authority. In conducting this

1 study, the Board shall consider:

2 (1) the highest prospective total revenue to be derived
3 by the State from the conduct of gambling as operated by
4 the State Authority as opposed to a privately owned
5 authority;

6 (2) whether granting the license to the State Authority
7 will maintain public confidence and trust in the
8 credibility and integrity of the gambling operations;

9 (3) the operation and administration of publicly owned
10 gaming operations in other jurisdictions;

11 (4) the reaction of Illinois citizens to a publicly
12 owned authority;

13 (5) whether the State Authority has a greater financial
14 ability to insure against liability and casualty;

15 (6) whether the State Authority can more adequately
16 assure capitalization to provide and maintain, for the
17 duration of a license, a gaming operation;

18 (7) the extent to which the State Authority exceeds or
19 meets the standards for the issuance of a license, which
20 the Board may adopt by rule; and

21 (8) the most significant economic development over a
22 large geographic area from the conduct of gambling as
23 operated by the State Authority as opposed to a privately
24 owner authority.

25 The study required under this subsection (h) shall be
26 completed within one year after the appointment of the Board

1 authorized under this amendatory Act of the 95th General
2 Assembly.

3 (i) The Board shall file with the Governor and the General
4 Assembly an annual report of (i) all revenues, expenses, and
5 disbursements, (ii) actions taken by the Board, (iii) activity
6 at Responsible Play Information Centers at licensed
7 facilities, and (iv) any recommendations for changes in this
8 Act as the Board deems necessary or desirable. The Board shall
9 also report recommendations that promote more efficient
10 operations of the Board.

11 (j) The Board shall report immediately to the Governor and
12 the General Assembly any matters that in its judgment require
13 immediate changes in the laws of this State in order to prevent
14 abuses and evasions of this Act or of its rules or to rectify
15 undesirable conditions in connection with the operation and
16 regulation of gambling operations.

17 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,
18 eff. 1-1-01.)

19 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

20 Sec. 5.1. Disclosure of records.

21 (a) Notwithstanding any applicable statutory provision to
22 the contrary, the Board shall, on written request from any
23 person, provide information furnished by an applicant for a
24 gaming license or a gaming licensee concerning the applicant or
25 licensee, his products, services or gambling enterprises and

1 his business holdings, as follows:

2 (1) The name, business address and business telephone
3 number of any applicant or licensee.

4 (2) An identification of any applicant or licensee
5 including, if an applicant or licensee is not an
6 individual, the state of incorporation or registration,
7 the corporate officers, and the identity of all
8 shareholders or participants. If an applicant or licensee
9 has a pending registration statement filed with the
10 Securities and Exchange Commission, only the names of those
11 persons or entities holding interest of 1% ~~5%~~ or more must
12 be provided.

13 (3) An identification of any business, including, if
14 applicable, the state of incorporation or registration, in
15 which an applicant or licensee or an applicant's or
16 licensee's spouse or children has an equity interest of
17 more than 1% ~~5%~~. If an applicant or licensee is a
18 corporation, partnership or other business entity, the
19 applicant or licensee shall identify any other
20 corporation, partnership or business entity in which it has
21 an equity interest of 1% ~~5%~~ or more, including, if
22 applicable, the state of incorporation or registration.
23 This information need not be provided by a corporation,
24 partnership or other business entity that has a pending
25 registration statement filed with the Securities and
26 Exchange Commission.

1 (4) Whether an applicant or licensee has been indicted,
2 convicted, pleaded guilty or nolo contendere, or forfeited
3 bail concerning any criminal offense under the laws of any
4 jurisdiction, either felony or misdemeanor (except for
5 traffic violations), including the date, the name and
6 location of the court, arresting agency and prosecuting
7 agency, the case number, the offense, the disposition and
8 the location and length of incarceration.

9 (5) Whether an applicant or licensee has had any
10 license or certificate issued by a licensing authority in
11 Illinois or any other jurisdiction denied, restricted,
12 suspended, revoked or not renewed and a statement
13 describing the facts and circumstances concerning the
14 denial, restriction, suspension, revocation or
15 non-renewal, including the licensing authority, the date
16 each such action was taken, and the reason for each such
17 action.

18 (6) Whether an applicant or licensee has ever filed or
19 had filed against it a proceeding in bankruptcy or has ever
20 been involved in any formal process to adjust, defer,
21 suspend or otherwise work out the payment of any debt
22 including the date of filing, the name and location of the
23 court, the case and number of the disposition.

24 (7) Whether an applicant or licensee has filed, or been
25 served with a complaint or other notice filed with any
26 public body, regarding the delinquency in the payment of,

1 or a dispute over the filings concerning the payment of,
2 any tax required under federal, State or local law,
3 including the amount, type of tax, the taxing agency and
4 time periods involved.

5 (8) A statement listing the names and titles of all
6 public officials or officers of any unit of government, and
7 relatives of said public officials or officers who,
8 directly or indirectly, own any financial interest in, have
9 any beneficial interest in, are the creditors of or hold
10 any debt instrument issued by, or hold or have any interest
11 in any contractual or service relationship with, an
12 applicant or licensee.

13 (9) Whether an applicant or licensee has made, directly
14 or indirectly, any political contribution, or any loans,
15 donations or other payments, to any candidate or office
16 holder, within 5 years from the date of filing the
17 application, including the amount and the method of
18 payment.

19 (10) The name and business telephone number of the
20 counsel representing an applicant or licensee in matters
21 before the Board.

22 (11) A description of any proposed or approved gambling
23 ~~riverboat gaming~~ operation, including the type of boat (if
24 applicable), ~~home dock~~ location, expected economic benefit
25 to the community, anticipated or actual number of
26 employees, any statement from an applicant or licensee

1 regarding compliance with federal and State affirmative
2 action guidelines, projected or actual admissions and
3 projected or actual adjusted gross gaming receipts.

4 (12) A description of the product or service to be
5 supplied by an applicant for a supplier's license.

6 (b) Notwithstanding any applicable statutory provision to
7 the contrary, the Board shall, on written request from any
8 person, also provide the following information furnished by an
9 applicant for a gaming license or gaming licensee:

10 (1) The amount of the wagering tax and admission tax
11 paid daily to the State of Illinois by the holder of an
12 owner's license.

13 (2) Whenever the Board finds an applicant for an
14 owner's license unsuitable for licensing, a copy of the
15 written letter outlining the reasons for the denial.

16 (3) Whenever the Board has refused to grant leave for
17 an applicant to withdraw his application, a copy of the
18 letter outlining the reasons for the refusal.

19 (c) Subject to the above provisions, the Board shall not
20 disclose any information which would be barred by:

21 (1) Section 7 of the Freedom of Information Act; or

22 (2) The statutes, rules, regulations or
23 intergovernmental agreements of any jurisdiction.

24 (d) The Board may assess fees for the copying of
25 information in accordance with Section 6 of the Freedom of
26 Information Act.

1 (Source: P.A. 87-826.)

2 (230 ILCS 10/5.2 new)

3 Sec. 5.2. Separation from Department of Revenue. On the
4 effective date of this amendatory Act of the 95th General
5 Assembly, all of the powers, duties, assets, liabilities,
6 employees, contracts, property, records, pending business, and
7 unexpended appropriations of the Department of Revenue related
8 to the administration and enforcement of this Act are
9 transferred to the Illinois Gaming Board and the Office of
10 Gaming Enforcement.

11 The status and rights of the transferred employees, and the
12 rights of the State of Illinois and its agencies, under the
13 Personnel Code and applicable collective bargaining agreements
14 or under any pension, retirement, or annuity plan are not
15 affected (except as provided in the Illinois Pension Code) by
16 that transfer or by any other provision of this amendatory Act
17 of the 95th General Assembly.

18 (230 ILCS 10/5.3 new)

19 Sec. 5.3. Nomination Panel.

20 (a) The Nomination Panel is established to provide a list
21 of nominees to the Governor for appointment to the Illinois
22 Gaming Board, the Illinois Racing Board, the Illinois Casino
23 Development Board, and the position of Director of Gaming
24 Enforcement. Members of the Nomination Panel shall be the

1 following: (1) the Executive Ethics Commissioner appointed by
2 the Secretary of State; (2) the Executive Ethics Commissioner
3 appointed by the Treasurer; (3) the Executive Ethics
4 Commissioner appointed by the Comptroller; (4) the Executive
5 Ethics Commissioner appointed by the Attorney General; and (5)
6 one Executive Ethics Commissioner appointed by the Governor.
7 However, the appointing authorities as of the effective date of
8 this amendatory Act of the 95th General Assembly shall remain
9 empowered to fill vacancies on the Nomination Panel until all
10 members of the new Gaming Board, Racing Board, and Illinois
11 Casino Development Board and the Director of Gaming Enforcement
12 have been appointed and qualified, regardless of whether such
13 appointing authorities remain members of the Executive Ethics
14 Commission. In the event of such appointing authority's
15 disqualification, resignation, or refusal to serve as an
16 appointing authority, the Constitutional officer that
17 appointed the Executive Ethics Commissioner may name a designee
18 to serve as an appointing authority for the Nomination Panel.
19 The appointing authorities may hold so many public or
20 non-public meetings as is required to fulfill their duties, and
21 may utilize the staff and budget of the Executive Ethics
22 Commission in carrying out their duties; provided, however,
23 that a final vote on appointees to the Nomination Panel shall
24 take place in a meeting governed by the Open Meetings Act. Any
25 ex parte communications regarding the Nomination Panel must be
26 made a part of the record at the next public meeting and part

1 of a written record. The appointing authorities shall file a
2 list of members of the Nomination Panel with the Secretary of
3 State within 60 days after the effective date of this
4 amendatory Act of the 95th General Assembly. A vacancy on the
5 Nomination Panel due to disqualification or resignation must be
6 filled within 60 days of a vacancy and the appointing
7 authorities must file the name of the new appointee with the
8 Secretary of State.

9 (b) Candidates for nomination to the Illinois Gaming Board,
10 the Illinois Racing Board, or the position of Director of
11 Gaming Enforcement may apply or be nominated. All candidates
12 must fill out a written application and submit to a background
13 investigation to be eligible for consideration. The written
14 application must include, at a minimum, a sworn statement
15 disclosing any communications that the applicant has engaged in
16 with a constitutional officer, a member of the General
17 Assembly, a special government agent (as that term is defined
18 in Section 4A-101 of the Illinois Governmental Ethics Act), a
19 director, secretary, or other employee of the executive branch
20 of the State, or an employee of the legislative branch of the
21 State related to the regulation of gaming within the last year.

22 A person who provides false or misleading information on
23 the application or fails to disclose a communication required
24 to be disclosed in the sworn statement under this Section is
25 guilty of a Class 4 felony.

26 (c) Once an application is submitted to the Nomination

1 Panel and until (1) the candidate is rejected by the Nomination
2 Panel, (2) the candidate is rejected by the Governor, (3) the
3 candidate is rejected by the Senate, or (4) the candidate is
4 confirmed by the Senate, whichever is applicable, a candidate
5 may not engage in ex parte communications, as that term is
6 defined in Section 5.7 of this Act.

7 (d) For the purpose of making the initial nominations after
8 the effective date of the amendatory Act of the 95th General
9 Assembly, the Nomination Panel shall request the assistance of
10 the Illinois State Police to conduct the background
11 investigation. The Nomination Panel shall have 60 days after
12 approval with the Illinois State Police to conduct background
13 investigations of candidates under consideration of the
14 Nomination Panel.

15 (e) The Nomination Panel must review written applications,
16 determine eligibility for oral interviews, confirm
17 satisfactory background investigations, and hold public
18 hearings on qualifications of candidates. Initial interviews
19 of candidates need not be held in meetings subject to the Open
20 Meetings Act; members or staff may arrange for informal
21 interviews. Prior to recommendation, however, the Nomination
22 Panel must question candidates in a meeting subject to the Open
23 Meetings Act under oath.

24 (f) The Nomination Panel must review written applications,
25 determine eligibility for oral interviews, confirm
26 satisfactory criminal history records checks, and hold public

1 hearings on qualifications of candidates.

2 (g) The Nomination Panel must recommend candidates for
3 nomination to the Illinois Gaming Board, the Illinois Racing
4 Board, the Illinois Casino Development Authority, and the
5 Director of Gaming Enforcement. The Governor may choose only
6 from the Nomination Panel's recommendations; however, within
7 30 days, he or she must accept or reject the original
8 recommendations and request additional recommendations from
9 the Nomination Panel, if necessary. The Nomination Panel shall
10 recommend to the Governor 3 candidates for every open position
11 for the Illinois Racing Board, the Illinois Gaming Board, the
12 Illinois Casino Development Authority, and the Director of
13 Gaming Enforcement. The Nomination Panel shall recommend
14 candidates to the Governor within 10 days upon request by the
15 Governor for additional candidates. The Nomination Panel shall
16 file the names of nominees with the Senate and the Secretary of
17 State. The Secretary of State shall indicate the date and time
18 of filing. Any nominations not forwarded by the Governor to the
19 Senate within 30 days are disapproved.

20 (h) Selections by the Governor must receive the advice and
21 consent of the Senate by record vote of at least two-thirds of
22 the members elected.

23 (230 ILCS 10/5.4 new)

24 Sec. 5.4. Office of Gaming Enforcement.

25 (a) There is established the Office of Gaming Enforcement,

1 which shall have the powers and duties specified in this Act or
2 the Illinois Horse Racing Act of 1975. Its jurisdiction shall
3 extend under this Act and the Illinois Horse Racing Act of 1975
4 to every licensee, person, association, corporation,
5 partnership and trust involved in gambling operations in the
6 State of Illinois.

7 (b) The Office shall have an officer as its head who shall
8 be known as the Director and who shall execute the powers and
9 discharge the duties given to the Office by this Act and the
10 Illinois Horse Racing Act of 1975. The Director must have at
11 least 10 years experience in law enforcement and investigatory
12 methods at the federal or state level, but not necessarily in
13 Illinois, with a preference given for experience in regulation
14 or investigation in the gaming industry. Nominations for the
15 position of Director must be made by the Nomination Panel as
16 provided in Section 5.3. The Director of the Office may be
17 removed by the Governor for neglect of duty, misfeasance,
18 malfeasance, or nonfeasance in office. The Director shall
19 receive an annual salary equal to the annual salary of a State
20 appellate court judge and shall hold no other employment for
21 which he or she receives compensation. The Director may not
22 hold a local, state, or federal elective or appointive office
23 or be employed by a local, state, or federal governmental
24 entity while in office.

25 (c) The Director shall employ such personnel as may be
26 necessary to carry out the functions of the Office and shall

1 determine the salaries of all personnel, except those personnel
2 whose salaries are determined under the terms of a collective
3 bargaining agreement. An employee or the employee's spouse,
4 parent, or child, may not, for 2 years before employment,
5 during employment, and for 5 years after employment by the
6 Office have a financial interest in or financial relationship
7 with, any operator engaged in gambling operations within this
8 State or any organization engaged in conducting horse racing
9 within this State. Any employee violating these prohibitions is
10 subject to termination of employment.

11 (d) The Office shall have general responsibility for the
12 investigation and enforcement under this Act and the Illinois
13 Horse Racing Act of 1975. Its duties include without limitation
14 the following:

15 (1) To be present through its inspectors and agents any
16 time gambling operations are conducted for the purpose of
17 certifying the revenue thereof, receiving complaints from
18 the public, and conducting such other investigations into
19 the conduct of the gambling games and the maintenance of
20 the equipment as from time to time the Board may deem
21 necessary and proper.

22 (2) To supervise all gambling operations authorized
23 under this Act and the Illinois Horse Racing Act of 1975
24 and all persons in places where gambling operations are
25 conducted.

26 (3) To promulgate rules regarding the inspection of

1 riverboats, casinos, and electronic gaming facilities.

2 (4) To enter the licensed facility or other places of
3 business of a licensee under this Act or the Illinois Horse
4 Racing Act of 1975 where evidence of the compliance or
5 noncompliance with the provisions of those Acts are likely
6 to be found.

7 (5) To exchange fingerprint data with, and receive
8 criminal history record information from, the Federal
9 Bureau of Investigation, to the extent possible, and the
10 Department of State Police for use in considering
11 applicants for any license.

12 (6) To eject or exclude or authorize the ejection or
13 exclusion of any person from licensed facilities where the
14 person is in violation of this Act or the Illinois Horse
15 Racing Act of 1975, rules thereunder, or final orders of
16 the appropriate Board, or where such person's conduct or
17 reputation is such that his or her presence within the
18 licensed facilities may call into question the honesty and
19 integrity of the gambling operations or interfere with the
20 orderly conduct thereof; provided that the propriety of
21 such ejection or exclusion is subject to subsequent
22 hearing.

23 (7) To hire employees to gather information, conduct
24 investigations, and carry out any other tasks contemplated
25 under this Act or the Illinois Horse Racing Act of 1975.

26 (8) To conduct investigations on its own initiative or

1 as requested by the Illinois Gaming Board, Illinois Racing
2 Board, or the Nomination Panel, including without
3 limitation investigations for suspected violations of this
4 Act and the Illinois Horse Racing Act of 1975 and
5 investigations for issuance or renewal of a license.

6 (e) The Office must issue to each investigator and to any
7 other employee of the Office exercising the powers of a peace
8 officer a distinct badge that, on its face, (i) clearly states
9 that the badge is authorized by the Office and (ii) contains a
10 unique identifying number. No other badge shall be authorized
11 by the Office.

12 (f) The Office is a law enforcement agency, and its
13 employees and agents shall have such law enforcement powers as
14 may be delegated to them by the Attorney General to effectuate
15 the purposes of this Act.

16 (g) Whenever the Office has reason to believe that any
17 person may be in possession, custody, or control of any
18 documentary material or information relevant to an
19 investigation, the Office may, before commencing a civil
20 proceeding under this Act, issue in writing and cause to be
21 served upon such person, a subpoena requiring such person: (A)
22 to produce such documentary material for inspection and
23 copying, (B) to answer, in writing, written interrogatories
24 with respect to such documentary material or information, (C)
25 to give oral testimony concerning such documentary material or
26 information, or (D) to furnish any combination of such

1 material, answers, or testimony.

2 (h) The Office may order any person to answer a question or
3 questions or produce evidence of any kind and confer immunity
4 as provided in this subsection. If, in the course of any
5 investigation or hearing conducted under this Act, a person
6 refuses to answer a question or produce evidence on the ground
7 that he or she will be exposed to criminal prosecution thereby,
8 then in addition to any other remedies or sanctions provided
9 for by this Act, the Office may, by resolution of the Board and
10 after the written approval of the Attorney General, issue an
11 order to answer or to produce evidence with immunity. Hearings,
12 documents, and other communications regarding the granting of
13 immunity are not subject to the Freedom of Information Act or
14 the Open Meetings Act. If, upon issuance of such an order, the
15 person complies therewith, he or she shall be immune from
16 having such responsive answer given by him or her or such
17 responsive evidence produced by him or her, or evidence derived
18 therefrom, used to expose him or her to criminal prosecution,
19 except that such person may nevertheless be prosecuted for any
20 perjury committed in such answer or in producing such evidence,
21 or for contempt for failing to give an answer or produce
22 evidence in accordance with the order of the Office; provided,
23 however, that no period of incarceration for contempt shall
24 exceed 18 months in duration. Any such answer given or evidence
25 produced shall be admissible against him or her upon any
26 criminal investigation, proceeding, or trial against him or her

1 for such perjury; upon any investigation, proceeding or trial
2 against him or her for such contempt; or in any manner
3 consistent with State and constitutional provisions.

4 (i) When the Office or any entity authorized under this Act
5 or the Illinois Horse Racing Act of 1975 is authorized or
6 required by law to conduct a background investigation, the
7 Office shall:

8 (1) conduct a criminal history record check
9 investigation to obtain any information currently or
10 subsequently contained in the files of the State Police
11 and, if possible, the Federal Bureau of Investigation,
12 regarding possible criminal behavior, including
13 misdemeanor and felony convictions;

14 (2) conduct a civil action record check investigation
15 to obtain information regarding any civil matters to which
16 the person was a party, witness, or in any way
17 substantially participated in the matter;

18 (3) conduct investigation of personal and professional
19 references and acquaintances, including, but not limited
20 to, current and former employers or employees; or

21 (4) conduct investigation of financial history.

22 (230 ILCS 10/5.5 new)

23 Sec. 5.5. Ethics provisions.

24 (a) Conflict of interest. Board members, members of the
25 Nomination Panel, the Director of Gaming Enforcement, and

1 employees may not engage in communications or any activity that
2 may cause or have the appearance of causing a conflict of
3 interest. A conflict of interest exists if a situation
4 influences or creates the appearance that it may influence
5 judgment or performance of regulatory duties and
6 responsibilities. This prohibition shall extend to any act
7 identified by Board action that, in the judgment of the Board,
8 could represent the potential for or the appearance of a
9 conflict of interest.

10 (b) No State constitutional officer or member of the
11 General Assembly nor an entity from which the State
12 constitutional officer or member of the General Assembly
13 receives compensation may own a direct interest in a gaming
14 licensee or have a direct financial interest in or relationship
15 with any entity that owns, operates, or is an affiliate of a
16 gaming licensee during his or her term or for a period of 5
17 years after the State constitutional officer or member of
18 General Assembly leaves office. The holding or acquisition of
19 an interest in such entities through indirect means, such as
20 through a mutual fund, shall not be prohibited. For purposes of
21 this subsection (b), "State constitutional officer or member of
22 the General Assembly" includes the spouse or minor child of the
23 State constitutional officer or member of the General Assembly.
24 A violation of this subsection (b) is a Class 4 felony.

25 (c) Financial interest. Board members, members of the
26 Nomination Panel, the Director of Gaming Enforcement, and

1 employees may not have a financial interest, directly or
2 indirectly, in his or her own name or in the name of any other
3 person, partnership, association, trust, corporation, or other
4 entity, in any contract or subcontract for the performance of
5 any work for the Board or for any licensee. This prohibition
6 shall extend to the holding or acquisition of an interest in
7 any entity identified by Board action that, in the judgment of
8 the Board, could represent the potential for or the appearance
9 of a financial interest. The holding or acquisition of an
10 interest in such entities through an indirect means, such as
11 through a mutual fund, shall not be prohibited, except that
12 Board may identify specific investments or funds that, in its
13 judgment, are so influenced by gaming holdings as to represent
14 the potential for or the appearance of a conflict of interest.

15 (d) Gambling. Except as may be required in the conduct of
16 official duties, Board members and employees and the Director
17 of Gaming Enforcement shall not engage in gambling on any
18 riverboat, in any casino, or in an electronic gaming facility
19 licensed by the Board or engage in legalized gambling in any
20 establishment identified by Board action that, in the judgment
21 of the Board, could represent a potential for a conflict of
22 interest.

23 (e) Outside employment. A Board member, an employee, or the
24 Director of Gaming Enforcement may not, within a period of 5
25 years immediately after termination of employment, knowingly
26 accept employment or receive compensation or fees for services

1 from a person or entity, or its parent or affiliate, that has
2 engaged in business with the Board that resulted in contracts
3 with an aggregate value of at least \$25,000 or if that Board
4 member, employee, or the Director has made a decision that
5 directly applied to the person or entity, or its parent or
6 affiliate. Board members and employees shall not hold or pursue
7 employment, office, position, business, or occupation that
8 conflict with his or her official duties. Board members shall
9 not engage in other employment. Employees may engage in other
10 gainful employment so long as that employment does not
11 interfere or conflict with their duties and such employment is
12 approved by the Board.

13 (f) Gift ban. Board members, the Director of Gaming
14 Enforcement, and employees may not accept any gift, gratuity,
15 service, compensation, travel, lodging, or thing of value, with
16 the exception of unsolicited items of an incidental nature,
17 from any person, corporation or entity doing business with the
18 Board. For the Director and employees of the Office of Gaming
19 Enforcement, this ban shall also apply to any person,
20 corporation, or entity doing business with the Illinois Racing
21 Board.

22 (g) Abuse of Position. A Board member, member of the
23 Nomination Panel, Director of Gaming Enforcement, or employee
24 shall not use or attempt to use his or her official position to
25 secure, or attempt to secure, any privilege, advantage, favor,
26 or influence for himself or herself or others. No Board member,

1 member of the Nomination Panel, Director of Gaming Enforcement,
2 or employee of the Authority may attempt, in any way, to
3 influence any person or corporation doing business with the
4 Authority or any officer, agent, or employee thereof to hire or
5 contract with any person or corporation for any compensated
6 work.

7 (h) Political activity. No member of the Board, employee,
8 or the Director of Gaming Enforcement shall engage in any
9 political activity. For the purposes of this subsection,
10 "political activity" means any activity in support of or in
11 connection with any campaign for State or local elective office
12 or any political organization, but does not include activities
13 (i) relating to the support or opposition of any executive,
14 legislative, or administrative action (as those terms are
15 defined in Section 2 of the Lobbyist Registration Act), (ii)
16 relating to collective bargaining, or (iii) that are otherwise
17 in furtherance of the person's official State duties or
18 governmental and public service functions.

19 (i) A spouse, child, or parent of a Board member, the
20 Director of Gaming Enforcement, or an employee may not:

21 (1) Have a financial interest, directly or indirectly,
22 in his or her own name or in the name of any other person,
23 partnership, association, trust, corporation, or other
24 entity, in any contract or subcontract for the performance
25 of any work for the Board of any licensee. This prohibition
26 shall extend to the holding or acquisition of an interest

1 in any entity identified by Board action that, in the
2 judgment of the Board, could represent the potential for or
3 the appearance of a conflict of interest. The holding or
4 acquisition of an interest in such entities through an
5 indirect means, such as through a mutual fund, shall not be
6 prohibited, expect that the Board may identify specific
7 investments or funds that, in its judgment, are so
8 influenced by gaming holdings as to represent the potential
9 for or the appearance of a conflict of interest.

10 (2) Accept any gift, gratuity, service, compensation,
11 travel, lodging, or thing of value, with the exception of
12 unsolicited items of an incidental nature, from any person,
13 corporation or entity doing business with the Board.

14 (3) Within a period of 2 years immediately after
15 termination of employment, knowingly accept employment or
16 receive compensation or fees for services from a person or
17 entity, or its parent or affiliate, that has engaged in
18 business with the Board, the Illinois Casino Development
19 Authority, the Chicago Casino Development Authority, or
20 the Office of Gaming Enforcement that resulted in contracts
21 with an aggregate value of at least \$25,000 or if the Board
22 or Office has made a decision that directly applies to the
23 person or entity, or its parent or affiliate.

24 (j) Any Board member, member of the Nomination Panel,
25 Director of Gaming Enforcement, or employee or spouse, child,
26 or parent of a Board member, member of the Nomination Panel,

1 Director of Gaming Enforcement, or employee who violates any
2 provision of this Section is guilty of a Class 4 felony.

3 (230 ILCS 10/5.7 new)

4 Sec. 5.7. Ex parte communications.

5 (a) For the purpose of this Section:

6 "Ex parte communication" means any written or oral
7 communication by any person that imparts or requests material
8 information or makes a material argument regarding potential
9 action concerning regulatory, quasi regulatory, investment, or
10 licensing matters pending before or under consideration by the
11 Illinois Gaming Board. "Ex parte communication" does not
12 include the following: (i) statements by a person publicly made
13 in a public forum; (ii) statements regarding matters of
14 procedure and practice, such as format, the number of copies
15 required, the manner of filing, and the status of a matter;
16 (iii) statements regarding recommendation for pending or
17 approved legislation; (iv) statements made by a State employee
18 of the agency to the agency head or other employees of that
19 agency.

20 "Ex parte communication" does not include conversations
21 concerning qualifications to serve on the Board or as Director
22 of Gaming Enforcement between members of the Senate and
23 nominees to the Board that occur in the time period between
24 nomination by the Governor and either confirmation or rejection
25 by the Senate.

1 "Interested party" means a person or entity whose rights,
2 privileges, or interests are the subject of or are directly
3 affected by a regulatory, quasi-adjudicatory, investment, or
4 licensing matter of the Board.

5 (b) A constitutional officer, a member of the General
6 Assembly, a special government agent as that term is defined in
7 Section 4A-101 of the Illinois Governmental Ethics Act, a
8 director, secretary, or other employee of the executive branch
9 of the State, an employee of the legislative branch of the
10 State, or an interested party may not engage in any ex parte
11 communication with a member of the Board or an employee. A
12 member of the Board or an employee must immediately report any
13 ex parte communication to the Inspector General for gaming
14 activities. A violation of this subsection (b) is a Class 4
15 felony.

16 (c) A constitutional officer, a member of the General
17 Assembly, a special government agent as that term is defined in
18 Section 4A-101 of the Illinois Governmental Ethics Act, a
19 director, secretary, or other employee of the executive branch
20 of the State, an employee of the legislative branch of the
21 State, or an interested party may not engage in any ex parte
22 communication with a nominee for the Board or a nominee for the
23 Director of Gaming Enforcement. A person is deemed a nominee
24 once they have submitted information to the nomination panel. A
25 nominee must immediately report any ex parte communication to
26 the Inspector General for gaming activities. A violation of

1 this subsection (c) is a Class 4 felony.

2 (d) Any ex parte communication from a constitutional
3 officer, a member of the General Assembly, a special government
4 agent as that term is defined in Section 4A-101 of the Illinois
5 Governmental Ethics Act, a director, secretary, or other
6 employee of the executive branch of the State, an employee of
7 the legislative branch of the State, or an interested party
8 received by a member of the Nomination Panel or employee
9 assisting the Nomination Panel must be immediately
10 memorialized and made a part of the record at the next meeting.
11 Report of the communication shall include all written
12 communications along with a statement describing the nature and
13 substance of all oral communications, any action the person
14 requested or recommended, the identity and job title of the
15 person to whom each communication was made, all responses made
16 by the member. A violation of this subsection (d) is a Class A
17 misdemeanor.

18 (e) Notwithstanding any provision of this Section, if a
19 State constitutional officer or member of the General Assembly
20 or his or her designee determines that potential or actual
21 Illinois Gaming Board, Illinois Racing Board, or Director of
22 Gaming Enforcement business would affect the health, safety,
23 and welfare of the people of the State of Illinois, then the
24 State constitutional officer or member of the General Assembly
25 may submit questions or comments by written medium to the
26 Chairman of the Illinois Gaming Board, Chairman of the Illinois

1 Racing Board, or Director of Gaming Enforcement. Upon receipt
2 of the message or question, the Chairman or Director shall
3 submit the message or question to the entire board for a vote.

4 (230 ILCS 10/6) (from Ch. 120, par. 2406)

5 Sec. 6. Application for Owners License or casino license.

6 (a) A qualified person may apply to the Board for an owners
7 license or casino license to conduct a ~~riverboat~~ gambling
8 operation as provided in this Act. The application shall be
9 made on forms provided by the Board and shall contain such
10 information as the Board prescribes, including but not limited
11 to the identity of the riverboat on which such gambling
12 operation is to be conducted and the exact location where such
13 riverboat will be docked, or the location of the casino, a
14 certification that the riverboat will be registered under this
15 Act at all times during which gambling operations are conducted
16 on board, detailed information regarding the ownership and
17 management of the applicant, and detailed personal information
18 regarding the applicant. ~~Any application for an owners license~~
19 ~~to be re-issued on or after June 1, 2003 shall also include the~~
20 ~~applicant's license bid in a form prescribed by the Board.~~
21 Information provided on the application shall be used as a
22 basis for a thorough background investigation which the Board
23 shall conduct with respect to each applicant. An incomplete
24 application shall be cause for denial of a license by the
25 Board.

1 (a-5) In addition to any other information required under
2 this Section, each application for an owners license or casino
3 license must include the following information:

4 (1) The history and success of the applicant and each
5 person and entity disclosed under subsection (c) of this
6 Section in developing tourism facilities ancillary to
7 gaming, if applicable.

8 (2) The likelihood that granting a license to the
9 applicant will lead to the creation of quality, living wage
10 jobs and permanent, full-time jobs for residents of the
11 State and residents of the unit of local government that is
12 designated as the home dock or location of the proposed
13 facility where gambling is to be conducted by the
14 applicant.

15 (3) The projected number of jobs that would be created
16 if the license is granted and the projected number of new
17 employees at the proposed facility where gambling is to be
18 conducted by the applicant.

19 (4) The record of the applicant and its developer in
20 meeting commitments to local agencies, community-based
21 organizations, and employees at other locations where the
22 applicant or its developer has performed similar functions
23 as they would perform if the applicant were granted a
24 license.

25 (5) Identification of adverse effects that might be
26 caused by the proposed facility where gambling is to be

1 conducted by the applicant, including the costs of meeting
2 increased demand for public health care, child care, public
3 transportation, affordable housing, and social services,
4 and a plan to mitigate those adverse effects.

5 (6) The record of the applicant and its developer
6 regarding compliance with:

7 (A) Federal, State, and local discrimination, wage
8 and hour, disability, and occupational and
9 environmental health and safety laws.

10 (B) State and local labor relations and employment
11 laws.

12 (7) The applicant's record in dealing with its
13 employees and their representatives at other locations.

14 (8) A plan concerning the utilization of minority
15 person-owned and female-owned businesses and concerning
16 the hiring of minority persons and females. For the
17 purposes of this item (8), the terms "minority person" and
18 "female" have the meanings provided in Section 2 of the
19 Business Enterprise for Minorities, Females, and Persons
20 with Disabilities Act.

21 Each applicant must submit evidence to the Board that
22 minority persons and females hold ownership interests in the
23 applicant of at least 20% and 5%, respectively.

24 (b) Applicants shall submit with their application all
25 documents, resolutions, and letters of support from the
26 governing body that represents the municipality or county

1 wherein the facility will be located ~~licensee will dock.~~

2 (c) Each applicant shall disclose the identity of every
3 person, association, trust or corporation having a greater than
4 1% direct or indirect pecuniary interest in the ~~riverboat~~
5 gambling operation with respect to which the license is sought.
6 If the disclosed entity is a trust, the application shall
7 disclose the names and addresses of the beneficiaries; if a
8 corporation, the names and addresses of all stockholders and
9 directors; if a partnership, the names and addresses of all
10 partners, both general and limited.

11 (d) An application shall be filed and considered in
12 accordance with the rules of the Board ~~with the Board by~~
13 ~~January 1 of the year preceding any calendar year for which an~~
14 ~~applicant seeks an owners license; however, applications for an~~
15 ~~owners license permitting operations on January 1, 1991 shall~~
16 ~~be filed by July 1, 1990. A non-refundable~~ An application fee
17 of \$250,000 ~~\$50,000~~ shall be paid at the time of filing and
18 shall be applied to the initial license fee if the application
19 is approved. ~~to defray the costs associated with the background~~
20 ~~investigation conducted by the Board. If the costs of the~~
21 ~~investigation exceed \$50,000, the applicant shall pay the~~
22 ~~additional amount to the Board. If the costs of the~~
23 ~~investigation are less than \$50,000, the applicant shall~~
24 ~~receive a refund of the remaining amount.~~ All information,
25 records, interviews, reports, statements, memoranda or other
26 data supplied to or used by the Board in the course of its

1 review or investigation of an application for a license under
2 this Act shall be privileged, strictly confidential and shall
3 be used only for the purpose of evaluating an applicant. Such
4 information, records, interviews, reports, statements,
5 memoranda or other data shall not be admissible as evidence,
6 nor discoverable in any action of any kind in any court or
7 before any tribunal, board, agency or person, except for any
8 action deemed necessary by the Board.

9 (e) (Blank). ~~The Board shall charge each applicant a fee~~
10 ~~set by the Department of State Police to defray the costs~~
11 ~~associated with the search and classification of fingerprints~~
12 ~~obtained by the Board with respect to the applicant's~~
13 ~~application. These fees shall be paid into the State Police~~
14 ~~Services Fund.~~

15 (f) The licensed owner of a riverboat gambling operation
16 shall be the person primarily responsible for the boat itself.
17 Only one riverboat gambling operation may be authorized by the
18 Board on any riverboat. The applicant must identify each
19 riverboat it intends to use and certify that the riverboat: (1)
20 has the authorized capacity required in this Act; (2) is
21 accessible to disabled persons; and (3) is fully registered and
22 licensed in accordance with any applicable laws.

23 (g) A person who knowingly makes a false statement on an
24 application is guilty of a Class A misdemeanor.

25 (Source: P.A. 93-28, eff. 6-20-03.)

1 (230 ILCS 10/7) (from Ch. 120, par. 2407)

2 Sec. 7. Owners licenses and casino licenses ~~licenses~~.

3 (a) The Board shall issue owners licenses and casino
4 licenses to persons, firms or corporations which apply for such
5 licenses upon payment to the Board of the non-refundable
6 license fee set by the Board pursuant to this Act, ~~upon payment~~
7 ~~of a \$25,000 license fee for the first year of operation and a~~
8 ~~\$5,000 license fee for each succeeding year~~ and upon a
9 determination by the Board that the applicant is eligible for
10 an owners license pursuant to this Act and the rules of the
11 Board. For a period of 2 years beginning on the effective date
12 of this amendatory Act of the 94th General Assembly, as a
13 condition of licensure and as an alternative source of payment
14 for those funds payable under subsection (c-5) of Section 13 of
15 this ~~the Riverboat Gambling~~ Act, any owners licensee that holds
16 or receives its owners license on or after the effective date
17 of this amendatory Act of the 94th General Assembly, other than
18 an owners licensee operating a riverboat with adjusted gross
19 receipts in calendar year 2004 of less than \$200,000,000, must
20 pay into the Horse Racing Equity Trust Fund, in addition to any
21 other payments required under this Act, an amount equal to 3%
22 of the adjusted gross receipts received by the owners licensee.
23 The payments required under this Section shall be made by the
24 owners licensee to the State Treasurer no later than 3:00
25 o'clock p.m. of the day after the day when the adjusted gross
26 receipts were received by the owners licensee. A person, firm

1 or corporation is ineligible to receive an owners license if:

2 (1) the person has been convicted of a felony under the
3 laws of this State, any other state, or the United States;

4 (2) the person has been convicted of any violation of
5 Article 28 of the Criminal Code of 1961, or substantially
6 similar laws of any other jurisdiction;

7 (3) the person has submitted an application for a
8 license under this Act which contains false information;

9 (4) the person is a member of the Board;

10 (5) a person defined in (1), (2), (3) or (4) is an
11 officer, director or managerial employee of the firm or
12 corporation;

13 (6) the firm or corporation employs a person defined in
14 (1), (2), (3) or (4) who participates in the management or
15 operation of gambling operations authorized under this
16 Act;

17 (7) (blank); or

18 (8) a license of the person, firm or corporation issued
19 under this Act, or a license to own or operate gambling
20 facilities in any other jurisdiction, has been revoked.

21 (a-5) The Board shall establish annual fees for the
22 issuance or renewal of owners licenses and casino licenses,
23 except a license held by the Illinois Casino Development
24 Authority, by rule. However, the annual fees may not exceed
25 \$250,000 in any 4-year period. The issuance fee shall be based
26 upon the cost of investigation and consideration of the license

1 application and shall not be less than \$250,000.

2 (a-10) From any amounts received for the reissuance of an
3 owners license that was revoked before the effective date of
4 this amendatory Act of the 95th General Assembly, the sum of
5 \$1,750,000 shall be paid by the licensee to the County of
6 JoDaviess in recompense for expenses incurred by that unit of
7 government with respect to former riverboat operations within
8 the corporate limits of that county and the sum of \$1,750,000
9 shall be paid by the licensee to the City of East Dubuque in
10 recompense for expenses incurred by that unit of government
11 with respect to former riverboat operations within the
12 corporate limits of that municipality.

13 (b) In determining whether to grant an owners license or
14 casino license, reissue a revoked owners license or casino
15 license, or non-renew an owners license or casino license to an
16 applicant, the Board shall consider:

17 (1) the character, reputation, experience and
18 financial integrity of the applicants and of any other or
19 separate person that either:

20 (A) controls, directly or indirectly, such
21 applicant, or

22 (B) is controlled, directly or indirectly, by such
23 applicant or by a person which controls, directly or
24 indirectly, such applicant;

25 (2) the facilities or proposed facilities for the
26 conduct of ~~riverboat~~ gambling;

1 (3) the highest prospective total revenue to be derived
2 by the State from the conduct of ~~riverboat~~ gambling;

3 (4) the extent to which the ownership of the applicant
4 reflects the diversity of the State by including minority
5 persons and females and the good faith affirmative action
6 plan of each applicant to recruit, train and upgrade
7 minority persons and females in all employment
8 classifications;

9 (5) the financial ability of the applicant to purchase
10 and maintain adequate liability and casualty insurance;

11 (6) whether the applicant has adequate capitalization
12 to provide and maintain, for the duration of a license, a
13 riverboat;

14 (7) the extent to which the applicant exceeds or meets
15 other standards for the issuance of an owners license which
16 the Board may adopt by rule; and

17 (8) The amount of the applicant's license bid made
18 pursuant to Section 7.5.

19 (c) Each owners license shall specify the place where
20 riverboats shall operate and dock.

21 (d) Each applicant shall submit with his application, on
22 forms provided by the Board, 2 sets of his fingerprints.

23 (e) The Board may issue up to 11 ~~10~~ licenses authorizing
24 the holders of such licenses to own riverboats. In the
25 application for an owners license, the applicant shall state
26 the dock at which the riverboat is based and the water on which

1 the riverboat will be located. The Board shall issue 5 licenses
2 to become effective not earlier than January 1, 1991. Three of
3 such licenses shall authorize riverboat gambling on the
4 Mississippi River, or, with approval by the municipality in
5 which the riverboat was docked on August 7, 2003 and with Board
6 approval, be authorized to relocate to a new location, in a
7 municipality that (1) borders on the Mississippi River or is
8 within 5 miles of the city limits of a municipality that
9 borders on the Mississippi River and (2), on August 7, 2003,
10 had a riverboat conducting riverboat gambling operations
11 pursuant to a license issued under this Act; one of which shall
12 authorize riverboat gambling from a home dock in the city of
13 East St. Louis. One other license shall authorize riverboat
14 gambling on the Illinois River south of Marshall County. The
15 Board shall issue one additional license to become effective
16 not earlier than March 1, 1992, which shall authorize riverboat
17 gambling on the Des Plaines River in Will County. The Board may
18 issue 4 additional licenses to become effective not earlier
19 than March 1, 1992. After the 5 members of the Board are
20 appointed and qualified pursuant to this amendatory Act of the
21 95th General Assembly, the Board may issue one additional
22 riverboat license subject to the competitive bidding process
23 described in Section 7.5. The additional riverboat license
24 authorizes the conduct of gambling in a municipality that is
25 economically depressed or that is sited in an economically
26 depressed primary census statistical area, or both; however,

1 the licensee must not conduct gambling pursuant to this license
2 within 15 miles from a licensed riverboat in operation on the
3 effective date of this amendatory Act of the 95th General
4 Assembly. In determining the water upon which the riverboat
5 authorized by the additional license will operate, the Board
6 shall minimize the reduction in privilege tax revenue received
7 by the State as a result of the impact of the additional
8 license on adjusted gross receipts generated by riverboat
9 gambling conducted by licenses in effect on the effective date
10 of this amendatory Act of the 95th General Assembly.

11 In determining the water upon which riverboats will
12 operate, the Board shall consider the economic benefit which
13 riverboat gambling confers on the State, and shall seek to
14 assure that all regions of the State share in the economic
15 benefits of riverboat gambling.

16 In granting all licenses, the Board may give favorable
17 consideration to economically depressed areas of the State, to
18 applicants presenting plans which provide for significant
19 economic development over a large geographic area, and to
20 applicants who currently operate non-gambling riverboats in
21 Illinois; however, the Board, in issuing the one additional
22 riverboat license authorized by this amendatory Act of the 95th
23 General Assembly, must give favorable consideration to these
24 factors in granting the owners license located in a
25 municipality that is economically depressed or that is sited in
26 an economically depressed primary census statistical area, or

1 both. The Board shall review all applications for owners
2 licenses, and shall inform each applicant of the Board's
3 decision. The Board may grant an owners license or casino
4 license, except a license held by Illinois Casino Development
5 Authority, to an applicant that has not submitted the highest
6 license bid, but if it does not select the highest bidder, the
7 Board shall issue a written decision explaining why another
8 applicant was selected and identifying the factors set forth in
9 this Section that favored the winning bidder.

10 (e-5) In addition to any other revocation powers granted to
11 the Board under this Act, the Board may revoke the owners
12 license of a licensee which fails to begin conducting gambling
13 within 12 ~~15~~ months of receipt of the Board's approval of the
14 application if the Board determines that license revocation is
15 in the best interests of the State. The Board may, after
16 holding a public hearing, grant extensions so long as an owners
17 licensee is working in good faith to begin conducting gambling.
18 The extension may be for a period of 6 months. If, after the
19 period of the extension, a licensee has not begun to conduct
20 gambling, another public hearing must be held by the Board
21 before it may grant another extension.

22 (f) The ~~first 10~~ owners licenses issued under this Act
23 shall permit the holder to own the riverboat ~~up to 2 riverboats~~
24 and equipment ~~thereon~~ for a period of 3 years after the
25 effective date of the license. Holders of ~~the first 10~~ owners
26 licenses must pay the annual license fee for each of the 3

1 years during which they are authorized to conduct gambling
2 operations ~~own riverboats.~~

3 (g) Upon the termination, expiration, or revocation of each
4 owners license or casino license ~~of the first 10 licenses,~~
5 ~~which shall be issued for a 3 year period,~~ all licenses are
6 renewable for a period of 4 years, unless the Board sets a
7 shorter period, ~~annually~~ upon payment of the fee and a
8 determination by the Board that the licensee continues to meet
9 all of the requirements of this Act and the Board's rules.
10 ~~However, for licenses renewed on or after May 1, 1998, renewal~~
11 ~~shall be for a period of 4 years, unless the Board sets a~~
12 ~~shorter period.~~

13 (h) An owners license shall entitle the licensee to operate
14 1,200 gaming positions plus any additional positions
15 authorized and obtained under subsection (h-2) of this Section
16 or subsection (f) of Section 7.7.

17 (h-2) Beginning on the effective date of this amendatory
18 Act of the 95th General Assembly, the Board shall make an equal
19 portion of an additional 3,500 positions available to each
20 owners licensee conducting gambling operations on the
21 effective date of this amendatory Act subject to an initial fee
22 of \$40,000 per position, plus the reconciliation payment as
23 required under subsection (h-5). Within 30 days after the Board
24 offers the positions, owners licensees may apply to the Board
25 to operate any portion of their allocated positions. The
26 \$40,000 fee per position is payable in full at the time

1 positions are awarded. Any positions that are not obtained by
2 an owners licensee shall be retained by the Board and shall be
3 offered in equal amounts to owners licensees who have purchased
4 the full amount of positions offered to them. This process
5 shall continue in a timely manner until all positions have been
6 purchased. In the event that any positions remain unpurchased,
7 those positions shall first be made available in equal amounts
8 to all electronic gaming licensees under Section 7.7, subject
9 to the payment of all applicable fees. In the event that
10 positions remain unpurchased after being offered to electronic
11 gaming licensees, those positions shall be held by the Board
12 for an owners licensee that was not conducting gambling
13 operations on the effective date of this amendatory Act of the
14 95th General Assembly. All positions obtained pursuant to this
15 process must be in operation within 12 months after they were
16 obtained or the licensee forfeits the right to operate all of
17 the positions, but is not entitled to a refund of any fees
18 paid. The Board may, after holding a public hearing, grant
19 extensions so long as an organization licensee is working in
20 good faith to begin conducting electronic gaming. The extension
21 may be for a period of 6 months. If, after the period of the
22 extension, a licensee has not begun to conduct electronic
23 gaming, another public hearing must be held by the Board before
24 it may grant another extension.

25 Subject to approval by the Board, owners licensees
26 conducting gambling operations on the effective date of this

1 amendatory Act of the 95th General Assembly may make
2 modifications and additions to their facilities, including the
3 portion that sits on land, to accommodate any additional
4 positions obtained under this subsection (h-2). A minimum of
5 1,200 positions must operate on water. The positions allowed on
6 land must be located in a single structure no farther than 100
7 yards from the water-based portion of the facility. Subject to
8 approval by the Board, the positions may be placed in a
9 temporary location for up to 12 months after the positions are
10 obtained, but the Board may grant extensions as provided in
11 this subsection (h-2).

12 (h-5) An owners licensee who purchases additional
13 positions under subsection (h-2) must make a reconciliation
14 payment 4 years after the date the owners license begins
15 operating the additional positions in an amount equal to 75% of
16 the owner licensee's annual adjusted gross receipts for the
17 most lucrative 12-month period of operations within the
18 previous 4 years, minus (i) the owners licensee's annual
19 adjusted gross receipts from 2007 and (ii) an amount equal to
20 \$40,000 per additional position obtained pursuant to
21 subsection (h-2). If this calculation results in a negative
22 amount, then the owners licensee is not entitled to any
23 reimbursement of fees previously paid. This reconciliation
24 payment may be made in installments over a period of no more
25 than 5 years, subject to Board approval. ~~own up to 2~~
26 riverboats.

1 ~~A licensee shall limit the number of gambling participants~~
2 ~~to 1,200 for any such owners license. A licensee may operate~~
3 ~~both of its riverboats concurrently, provided that the total~~
4 ~~number of gambling participants on both riverboats does not~~
5 ~~exceed 1,200. Riverboats licensed to operate on the Mississippi~~
6 ~~River and the Illinois River south of Marshall County shall~~
7 ~~have an authorized capacity of at least 500 persons. Any other~~
8 ~~riverboat licensed under this Act shall have an authorized~~
9 ~~capacity of at least 400 persons.~~

10 (i) An owners licensee or casino licensee ~~A licensed owner~~
11 is authorized to apply to the Board for and, if approved
12 therefor, to receive all licenses from the Board necessary for
13 the operation of a licensed facility ~~riverboat~~, including a
14 liquor license, a license to prepare and serve food for human
15 consumption, and other necessary licenses. All use, occupation
16 and excise taxes which apply to the sale of food and beverages
17 in this State and all taxes imposed on the sale or use of
18 tangible personal property apply to such sales in a licensed
19 facility ~~aboard the riverboat~~.

20 (j) The Board may issue or re-issue a license authorizing a
21 riverboat to dock in a municipality or approve a relocation
22 under Section 11.2 only if, prior to the issuance or
23 re-issuance of the license or approval, the governing body of
24 the municipality in which the riverboat will dock has by a
25 majority vote approved the docking of riverboats in the
26 municipality. The Board may issue or re-issue a license

1 authorizing a riverboat to dock in areas of a county outside
2 any municipality or approve a relocation under Section 11.2
3 only if, prior to the issuance or re-issuance of the license or
4 approval, the governing body of the county has by a majority
5 vote approved of the docking of riverboats within such areas.

6 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
7 eff. 8-23-05; 94-804, eff. 5-26-06.)

8 (230 ILCS 10/7.3)

9 Sec. 7.3. State conduct of riverboat gambling operations.

10 (a) If, after reviewing each application for a re-issued
11 owners license, the Board determines that the highest
12 prospective total revenue to the State would be derived from
13 State conduct of the gambling operation in lieu of re-issuing
14 the license, the Board shall inform each applicant of its
15 decision. The Board shall thereafter have the authority,
16 without obtaining an owners license, to conduct riverboat
17 gambling operations as previously authorized by the
18 terminated, expired, revoked, or nonrenewed license through a
19 licensed manager selected pursuant to an open and competitive
20 bidding process as set forth in Section 7.5 and as provided in
21 Section 7.4.

22 (b) The Board may locate any riverboat on which a gambling
23 operation is conducted by the State in any home dock location
24 authorized by Section 3(c) upon receipt of approval from a
25 majority vote of the governing body of the municipality or

1 county, as the case may be, in which the riverboat will dock.

2 (c) The Board shall have jurisdiction over and shall
3 supervise all gambling operations conducted by the State
4 provided for in this Act and shall have all powers necessary
5 and proper to fully and effectively execute the provisions of
6 this Act relating to gambling operations conducted by the
7 State.

8 (d) The maximum number of owners licenses authorized under
9 Section 7(e) shall be reduced by one for each instance in which
10 the Board authorizes the State to conduct a riverboat gambling
11 operation under subsection (a) in lieu of re-issuing a license
12 to an applicant under Section 7.1.

13 (Source: P.A. 93-28, eff. 6-20-03.)

14 (230 ILCS 10/7.4)

15 Sec. 7.4. Managers licenses.

16 (a) A qualified person may apply to the Board for a
17 managers license to operate and manage any gambling operation
18 conducted by the State. The application shall be made on forms
19 provided by the Board and shall contain such information as the
20 Board prescribes, including but not limited to information
21 required in Sections 6(a), (b), and (c) and information
22 relating to the applicant's proposed price to manage State
23 gambling operations and to provide the riverboat, gambling
24 equipment, and supplies necessary to conduct State gambling
25 operations.

1 (b) (Blank). ~~Each applicant must submit evidence to the~~
2 ~~Board that minority persons and females hold ownership~~
3 ~~interests in the applicant of at least 16% and 4%,~~
4 ~~respectively.~~

5 (c) A person, firm, or corporation is ineligible to receive
6 a managers license if:

7 (1) the person has been convicted of a felony under the
8 laws of this State, any other state, or the United States;

9 (2) the person has been convicted of any violation of
10 Article 28 of the Criminal Code of 1961, or substantially
11 similar laws of any other jurisdiction;

12 (3) the person has submitted an application for a
13 license under this Act which contains false information;

14 (4) the person is a member of the Board;

15 (5) a person defined in (1), (2), (3), or (4) is an
16 officer, director, or managerial employee of the firm or
17 corporation;

18 (6) the firm or corporation employs a person defined in
19 (1), (2), (3), or (4) who participates in the management or
20 operation of gambling operations authorized under this
21 Act; or

22 (7) a license of the person, firm, or corporation
23 issued under this Act, or a license to own or operate
24 gambling facilities in any other jurisdiction, has been
25 revoked.

26 (d) Each applicant shall submit with his or her

1 application, on forms prescribed by the Board, 2 sets of his or
2 her fingerprints.

3 (e) The Board shall charge each applicant a fee, set by the
4 Board, to defray the costs associated with the background
5 investigation conducted by the Board.

6 (f) A person who knowingly makes a false statement on an
7 application is guilty of a Class A misdemeanor.

8 (g) The managers license shall be for a term not to exceed
9 10 years, shall be renewable at the Board's option, and shall
10 contain such terms and provisions as the Board deems necessary
11 to protect or enhance the credibility and integrity of State
12 gambling operations, achieve the highest prospective total
13 revenue to the State, and otherwise serve the interests of the
14 citizens of Illinois.

15 (h) Issuance of a managers license shall be subject to an
16 open and competitive bidding process. The Board may select an
17 applicant other than the lowest bidder by price. If it does not
18 select the lowest bidder, the Board shall issue a notice of who
19 the lowest bidder was and a written decision as to why another
20 bidder was selected.

21 (Source: P.A. 93-28, eff. 6-20-03.)

22 (230 ILCS 10/7.5)

23 Sec. 7.5. Competitive Bidding. When the Board issues or
24 re-issues an owners license authorized under Section 7,
25 ~~determines that it will re issue an owners license pursuant to~~

1 ~~an open and competitive bidding process, as set forth in~~
2 ~~Section 7.1, or~~ that it will issue a managers license pursuant
3 to an open and competitive bidding process, as set forth in
4 Section 7.4, or determines that it will issue a casino license
5 under Section 7.11a of this Act to a private entity, the open
6 and competitive bidding process shall adhere to the following
7 procedures:

8 (1) The Board shall make applications for owners, casino,
9 and managers licenses available to the public and allow a
10 reasonable time for applicants to submit applications to the
11 Board.

12 (2) During the filing period for owners, casino, or
13 managers license applications, the Board may retain the
14 services of an investment banking firm to assist the Board in
15 conducting the open and competitive bidding process.

16 (3) After receiving all of the bid proposals, the Board
17 shall open all of the proposals in a public forum and disclose
18 the prospective owners or managers names, venture partners, if
19 any, and, in the case of applicants for owners licenses, the
20 locations of the proposed development sites.

21 (4) The Board shall summarize the terms of the proposals
22 and may make this summary available to the public.

23 (5) The Board shall evaluate the proposals within a
24 reasonable time and select no more than 3 final applicants to
25 make presentations of their proposals to the Board.

26 (6) The final applicants shall make their presentations to

1 the Board on the same day during an open session of the Board.

2 (7) As soon as practicable after the public presentations
3 by the final applicants, the Board, in its discretion, may
4 conduct further negotiations among the 3 final applicants.
5 During such negotiations, each final applicant may increase its
6 license bid or otherwise enhance its bid proposal. At the
7 conclusion of such negotiations, the Board shall select the
8 winning proposal. In the case of negotiations for an owners
9 license, the Board may, at the conclusion of such negotiations,
10 make the determination allowed under Section 7.3(a).

11 (8) Upon selection of a winning bid, the Board shall
12 evaluate the winning bid within a reasonable period of time for
13 licensee suitability in accordance with all applicable
14 statutory and regulatory criteria.

15 (9) If the winning bidder is unable or otherwise fails to
16 consummate the transaction, (including if the Board determines
17 that the winning bidder does not satisfy the suitability
18 requirements), the Board may, on the same criteria, select from
19 the remaining bidders or make the determination allowed under
20 Section 7.3(a).

21 (Source: P.A. 93-28, eff. 6-20-03.)

22 (230 ILCS 10/7.7 new)

23 Sec. 7.7. Electronic gaming.

24 (a) The General Assembly finds that the horse racing and
25 riverboat gambling industries share many similarities and

1 collectively comprise the bulk of the State's gaming industry.
2 One feature in common to both industries is that each is highly
3 regulated by the State of Illinois.

4 The General Assembly further finds, however, that despite
5 their shared features each industry is distinct from the other
6 in that horse racing is and continues to be intimately tied to
7 Illinois' agricultural economy and is, at its core, a spectator
8 sport. This distinction requires the General Assembly to
9 utilize different methods to regulate and promote the horse
10 racing industry throughout the State.

11 The General Assembly finds that in order to promote live
12 horse racing as a spectator sport in Illinois and the
13 agricultural economy of this State, it is necessary to allow
14 electronic gaming at Illinois race tracks given the success of
15 other states in increasing live racing purse accounts and
16 improving the quality of horses participating in horse race
17 meetings.

18 The General Assembly finds, however, that even though the
19 authority to conduct electronic gaming is a uniform means to
20 improve live horse racing in this State, electronic gaming must
21 be regulated and implemented differently in southern Illinois
22 versus the Chicago area. The General Assembly finds that
23 Fairmount Park is the only race track operating on a year-round
24 basis that offers live racing and for that matter only conducts
25 live thoroughbred racing. The General Assembly finds that the
26 current state of affairs deprives spectators and standardbred

1 horsemen residing in southern Illinois of the opportunity to
2 participate in live standardbred racing in a manner similar to
3 spectators, thoroughbred horsemen, and standardbred horsemen
4 residing in the Chicago area. The General Assembly declares
5 that southern Illinois spectators and standardbred horsemen
6 are entitled to have a similar opportunity to participate in
7 live standardbred racing as spectators in the Chicago area. The
8 General Assembly declares that in order to remove this
9 disparity between southern Illinois and the Chicago area, it is
10 necessary for the State to mandate standardbred racing
11 throughout the State by tying the authorization to conduct
12 electronic gaming to a commitment to conduct at least 25 days
13 of standardbred racing in any county in which an organization
14 licensee is operating.

15 (b) The Board shall award one electronic gaming license to
16 each organization licensee under the Illinois Horse Racing Act
17 of 1975, subject to application and eligibility requirements of
18 this Act, including the payment of all applicable fees.

19 (c) As soon as practical after the effective date of this
20 amendatory Act of the 95th General Assembly, the Board may
21 authorize up to 3,600 aggregate electronic gambling positions
22 statewide as provided in this Section. The authority to operate
23 positions under this Section shall be allocated as follows:

24 (1) The organization licensee operating at Arlington
25 Park Race Course may operate up to 1,100 gaming positions
26 at a time;

1 (2) The organization licensees operating at Hawthorne
2 Race Course, including the organization licensee formerly
3 operating at Sportsman's Park, may collectively operate up
4 to 900 gaming positions at a time;

5 (3) The organization licensee operating at Balmoral
6 Park may operate up to 300 gaming positions at a time;

7 (4) The organization licensee operating at Maywood
8 Park may operate up to 800 gaming positions at a time; and

9 (5) The organization licensee operating at Fairmount
10 Park may operate up to 500 gaming positions at a time.

11 (d) Any positions that are not obtained by an organization
12 licensee shall be retained by the Gaming Board and shall be
13 offered in equal amounts to electronic gaming licensees who
14 have purchased all of the positions that were offered. This
15 process shall continue until all positions have been purchased.
16 All positions obtained pursuant to this process must be in
17 operation within 12 months after they were obtained or the
18 electronic gaming licensee forfeits the right to operate all of
19 the positions, but is not entitled to a refund of any fees
20 paid. The Board may, after holding a public hearing, grant
21 extensions so long as an gaming licensee is working in good
22 faith to begin conducting electronic gaming. The extension may
23 be for a period of 6 months. If, after the period of the
24 extension, a licensee has not begun to conduct electronic
25 gaming, another public hearing must be held by the Board before
26 it may grant another extension.

1 (e) In the event that any positions remain unpurchased,
2 those positions shall first be made available in equal amounts
3 to owners licensees conducting gambling operations on the
4 effective date of this amendatory Act of the 95th General
5 Assembly under subsection (h-2) of Section 7, subject to the
6 payment of all applicable fees. In the event the positions
7 remain unpurchased after being offered to owners licensees
8 conducting gambling operations on the effective date of this
9 amendatory Act of the 95th General Assembly, those positions
10 shall be held by the Board for any owners licensee that was not
11 conducting gambling operations on the effective date of this
12 amendatory Act.

13 (f) The Gaming Board shall determine hours of operation for
14 electronic gaming facilities by rule.

15 (g) To be eligible to conduct electronic gaming, an
16 organization licensee must (i) obtain an electronic gaming
17 license, (ii) hold an organization license under the Illinois
18 Horse Racing Act of 1975, (iii) hold an inter-track wagering
19 license, (iv) pay an initial fee of \$40,000 for each position
20 it is authorized to operate, plus make the reconciliation
21 payment required under subsection (i), (v) meet the live racing
22 requirements set forth in Section 20 of the Illinois Horse
23 Racing Act of 1975, and (vi) meet all other requirements of
24 this Act that apply to owners licensees. The \$40,000 fee per
25 position is payable in full at the time the positions are
26 awarded.

1 (h) Each organization licensee who obtains electronic
2 gaming positions must make a reconciliation payment 4 years
3 after the date the electronic gaming licensee begins operating
4 the positions in an amount equal to 75% of the net adjusted
5 gross receipts from electronic gaming for the most lucrative
6 12-month period of operations, minus an amount equal to \$40,000
7 per electronic gaming position. If this calculation results in
8 a negative amount, then the electronic gaming licensee is not
9 entitled to any reimbursement of fees previously paid. This
10 reconciliation payment may be made in installments over a
11 period of no more than 5 years, subject to Board approval. For
12 the purpose of this subsection (h), "net adjusted gross
13 receipts" has the same meaning as that term is given in
14 subsection (a-6) of Section 13.

15 (i) For each calendar year after 2007 in which an
16 electronic gaming licensee requests a number of racing days
17 under its organization license that is less than 90% of the
18 number of days of live racing it was awarded in 2007, the
19 electronic gaming licensee may not conduct electronic gaming.

20 (j) In any calendar year that an organization licensee with
21 an electronic gaming license conducts fewer races than they
22 were awarded in that calendar year, except for the reasons
23 specified in subsection (e-3) of Section 20 of the Illinois
24 Horse Racing Act of 1975, the revenues retained by the
25 electronic gaming licensee from electronic gaming on the days
26 when racing was awarded and did not occur will be split evenly

1 between that organization licensee's purse account and the
2 Racing Industry Worker's Trust Fund.

3 (k) Subject to the approval of the Illinois Gaming Board
4 and the Illinois Racing Board, an electronic gaming licensee
5 may make any temporary or permanent modification or additions
6 to any existing or new buildings and structures. No
7 modifications or additions shall alter the grounds of the
8 organization licensee such that the act of live racing is an
9 ancillary activity to electronic gaming.

10 Electronic gaming may take place in existing structures
11 where inter-track wagering is conducted at the race track or a
12 facility within 300 yards of the race track in accordance with
13 the provisions of this Act and the Illinois Horse Racing Act of
14 1975. Any electronic gaming conducted at a facility within 300
15 yards of the race track in accordance with this Act and the
16 Illinois Horse Racing Act of 1975 shall have an all-weather
17 egress connecting the electronic gaming facility and the race
18 track facility.

19 The electronic gambling facility must be distinctly
20 separate from the other areas of the racetrack to prohibit the
21 entrance of persons under 21 years of age and for the purpose
22 of tracking admissions to the electronic gambling facility to
23 comply with the admissions taxes under the Illinois Horse
24 Racing Act of 1975 and this Act.

25 (l) An electronic gaming licensee may conduct electronic
26 gaming at a temporary facility pending the construction of a

1 permanent facility or the remodeling of an existing facility to
2 accommodate electronic gaming participants for up to 12 months
3 after receiving an electronic gaming license. The Board may
4 grant extensions as provided in subsection (d) of this Section.

5 (m) The Illinois Gaming Board may adopt emergency rules in
6 accordance with Section 5-45 of the Illinois Administrative
7 Procedure Act as necessary to ensure compliance with the
8 provisions of this amendatory Act of the 95th General Assembly
9 concerning electronic gaming. The adoption of emergency rules
10 authorized by this subsection (m) shall be deemed to be
11 necessary for the public interest, safety, and welfare.

12 (n) As soon as practical after a request is made by the
13 Illinois Gaming Board, to minimize duplicate submissions by the
14 applicant, the Illinois Racing Board must provide information
15 on an applicant for an electronic gaming license to the
16 Illinois Gaming Board.

17 (o) The electronic gaming licenses issued under this Act
18 shall permit the holder to own the licensed facility and
19 equipment for a period of 3 years after the effective date of
20 the license. Holders of electronic gaming licenses must pay the
21 annual license fee for each of the 3 years during which they
22 are authorized to conduct gambling operations.

23 (p) Upon the termination, expiration, or revocation of each
24 electronic gaming license, all licenses are renewable for a
25 period of 4 years, unless the Board sets a shorter period, upon
26 payment of the fee and a determination by the Board that the

1 licensee continues to meet all of the requirements of this Act
2 and the Board's rules.

3 (230 ILCS 10/7.8 new)

4 Sec. 7.8. Home rule. The regulation and licensing of
5 electronic gaming and electronic gaming licensees are
6 exclusive powers and functions of the State. A home rule unit
7 may not regulate or license electronic gaming or electronic
8 gaming licensees. This Section is a denial and limitation of
9 home rule powers and functions under subsection (h) of Section
10 6 of Article VII of the Illinois Constitution.

11 (230 ILCS 10/7.10 new)

12 Sec. 7.10. Electronic poker.

13 (a) A gaming licensee may apply to the Board for
14 authorization to operate up to 100 electronic poker positions
15 at its licensed facility. The authorization that the Board
16 issues to the gaming licensee shall specify the number of
17 electronic poker positions the gaming licensee may operate,
18 which shall not be counted against the limit on the number of
19 gaming positions under this Act.

20 (b) The Board must adopt rules for the authorization and
21 administration of the conduct of electronic poker.

22 (230 ILCS 10/7.11 new)

23 Sec. 7.11. Casino license. Upon approval of the Authority

1 Board and the casino operator licensee, the Illinois Gaming
2 Board shall issue a casino license to the Authority that
3 authorizes the conduct of gambling operations in a land-based
4 facility located in the City of Chicago. A casino license shall
5 authorize the holder to operate 4,000 gaming positions. The
6 Illinois Gaming Board shall assess a license fee of
7 \$200,000,000, plus (i) \$300,000,000 or (ii) 50% of the total
8 amount received by the Authority pursuant to a bid for a casino
9 management contract or an executed casino management contract
10 as authorized under the Chicago Casino Development Authority
11 Act, whichever is greater. The Board shall deposit the license
12 fee into the Illinois Works Fund.

13 In granting any license authorizing the conduct of gambling
14 operations in a casino, the Illinois Gaming Board shall
15 determine the fitness of the licensee to hold the license in
16 the same manner as any other license under this Act. If the
17 license is held by the Authority, the Illinois Gaming Board
18 shall have the same authority over that licensee as any other
19 licensee under this Act.

20 (230 ILCS 10/7.11a new)

21 Sec. 7.11a. Casino license. If, after conducting the study
22 in subsection (h) of Section 5, the Board determines that State
23 conduct of gambling is in the best interest of the State, then
24 upon approval of the State Casino Development Board and the
25 State casino operator licensee, the Illinois Gaming Board shall

1 issue a casino license to the State Authority that authorizes
2 the conduct of gambling operations in a casino in this State,
3 which shall be the State casino license. If, after conducting
4 the study in subsection (h) of Section 5, the Board determines
5 that State conduct of gambling is not in the best interest of
6 this State, then the Board shall issue a casino license through
7 a competitive bidding process to a private entity as set forth
8 in Section 7.5 of this Act. Application for the license shall
9 be as set forth in Section 6 of this Act. A casino license
10 issued under this Section shall authorize the holder to operate
11 1,200 gaming positions. The Board shall have the same authority
12 over the State Authority as any other licensee.

13 The Board may locate any casino in which a gambling
14 operation is conducted by the State in any location upon
15 receipt of approval from a majority vote of the governing body
16 of the municipality or county, as the case may be, in which the
17 casino will be located.

18 (230 ILCS 10/7.12 new)

19 Sec. 7.12. Casino operator license or State casino operator
20 license.

21 (a) A qualified person may apply to the Board for a casino
22 operator license or State casino operator license to operate
23 and manage any gambling operation conducted by the Authority or
24 State Authority. The application shall be made on forms
25 provided by the Board and shall contain such information as the

1 Board prescribes, including but not limited to information
2 required in Sections 6(a), (b), and (c) and information
3 relating to the applicant's proposed price to manage the
4 Authority's or State Authority's gambling operations and to
5 provide the casino, gambling equipment, and supplies necessary
6 to conduct gambling operations.

7 (b) A person, firm, or corporation is ineligible to receive
8 a casino operator license or State casino operator license if:

9 (1) the person has been convicted of a felony under the
10 laws of this State, any other state, or the United States;

11 (2) the person has been convicted of any violation of
12 Article 28 of the Criminal Code of 1961, or substantially
13 similar laws of any other jurisdiction;

14 (3) the person has submitted an application for a
15 license under this Act that contains false information;

16 (4) the person is a member of the Board;

17 (5) a person defined in (1), (2), (3), or (4) is an
18 officer, director, or managerial employee of the firm or
19 corporation;

20 (6) the firm or corporation employs a person defined in
21 (1), (2), (3), or (4) who participates in the management or
22 operation of gambling operations authorized under this
23 Act; or

24 (7) a license of the person, firm, or corporation
25 issued under this Act, or a license to own or operate
26 gambling facilities in any other jurisdiction, has been

1 revoked.

2 (c) In determining whether to grant a casino operator
3 license or State casino operator license, the Board shall
4 consider:

5 (1) the character, reputation, experience and
6 financial integrity of the applicants and of any other or
7 separate person that either:

8 (A) controls, directly or indirectly, such
9 applicant, or

10 (B) is controlled, directly or indirectly, by such
11 applicant or by a person which controls, directly or
12 indirectly, such applicant;

13 (2) the facilities or proposed facilities for the
14 conduct of gambling;

15 (3) the highest prospective total revenue to be derived
16 by the State from the conduct of gambling;

17 (4) the extent to which the ownership of the applicant
18 reflects the diversity of the State by including minority
19 persons and females and the good faith affirmative action
20 plan of each applicant to recruit, train, and upgrade
21 minority persons and females in all employment
22 classifications;

23 (5) the financial ability of the applicant to purchase
24 and maintain adequate liability and casualty insurance;

25 (6) whether the applicant has adequate capitalization
26 to provide and maintain, for the duration of a license, a

1 casino; and

2 (7) the extent to which the applicant exceeds or meets
3 other standards for the issuance of a managers license that
4 the Board may adopt by rule.

5 (d) Each applicant shall submit with his or her
6 application, on forms prescribed by the Board, 2 sets of his or
7 her fingerprints.

8 (e) The Board shall charge each applicant a fee, set by the
9 Board, to defray the costs associated with the background
10 investigation conducted by the Office of Gaming Enforcement.

11 (f) A person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) The casino operator license or State casino operator
14 license shall be issued only upon proof that it has entered
15 into a labor peace agreement with each labor organization that
16 is actively engaged in representing and attempting to represent
17 casino and hospitality industry workers in this State. The
18 labor peace agreement must be a valid and enforceable agreement
19 under 29 U.S.C. 185 that protects the city's and State's
20 revenues from the operation of the casino facility by
21 prohibiting the labor organization and its members from
22 engaging in any picketing, work stoppages, boycotts, or any
23 other economic interference with the casino facility for at
24 least the first 5 years of the casino license and must cover
25 all operations at the casino facility that are conducted by
26 lessees or tenants or under management agreements.

1 (h) The casino operator license or State casino operator
2 license shall be for a term not to exceed 10 years, shall be
3 renewable at the Board's option, and shall contain such terms
4 and provisions as the Board deems necessary to protect or
5 enhance the credibility and integrity of State gambling
6 operations, achieve the highest prospective total revenue to
7 the State, and otherwise serve the interests of the citizens of
8 Illinois.

9 (230 ILCS 10/7.14 new)

10 Sec. 7.14. Obligations of licensure; licensure is a
11 privilege.

12 (a) All licensees under this Act have a continuing duty to
13 maintain suitability for licensure. A license does not create a
14 property right, but is a revocable privilege granted by the
15 State contingent upon continuing suitability for licensure.

16 (b) Licensees under this Act shall have a continuing,
17 affirmative duty to investigate the backgrounds of its
18 principal shareholders and officers.

19 (c) An applicant for licensure under this Act is seeking a
20 privilege and assumes and accepts any and all risk of adverse
21 publicity, notoriety, embarrassment, criticism, or other
22 action or financial loss which may occur in connection with the
23 application process. Any misrepresentation or omission made
24 with respect to an application may be grounds for denial of the
25 application.

1 (230 ILCS 10/7.15 new)

2 Sec. 7.15. Undue economic concentration.

3 (a) In addition to considering all other requirements under
4 this Act, in deciding whether to approve direct or indirect
5 ownership or control of a gaming license, the Board shall
6 consider the impact of any economic concentration of the
7 ownership or control. No direct or indirect ownership or
8 control shall be approved and no gaming license shall be issued
9 or transferred to or held by any person or entity if the Board
10 determines that approval, issuance, transfer, or holding shall
11 result in undue economic concentration in the direct or
12 indirect ownership or control of gambling operations in
13 Illinois. However, under no circumstances shall the geographic
14 location of any gaming license be a factor in determining
15 whether an undue economic concentration exists.

16 (b) For the purposes of this Section, "undue economic
17 concentration" means that a person or entity would have actual
18 or potential domination of gambling in Illinois sufficient to:

19 (1) substantially impede or suppress competition among
20 holders of gaming licenses;

21 (2) adversely impact the economic stability of the
22 gaming industry in Illinois; or

23 (3) negatively impact the purposes of this Act,
24 including tourism, economic development, benefits to local
25 communities, and State and local revenues.

1 (c) In determining whether the issuance, transfer, or
2 holding, directly or indirectly, of a gaming license shall
3 result in undue economic concentration, the Board shall
4 consider the following criteria:

5 (1) The percentage share of the market presently owned
6 or controlled by a person or entity, directly or
7 indirectly, in each of the following categories:

8 (A) The total number of licensed facilities in
9 Illinois.

10 (B) Total gaming square footage.

11 (C) Number of persons employed in the gambling
12 operation and any affiliated hotel operation.

13 (D) Number of guest rooms in an affiliated hotel.

14 (E) Number of electronic gaming devices.

15 (F) Number of table games.

16 (G) Net revenue and adjusted gross receipts.

17 (H) Table win.

18 (I) Electronic gaming device win.

19 (J) Table drop.

20 (K) Electronic gaming device drop.

21 (2) The estimated increase in the market shares in the
22 categories in item (1) of this subsection (c) if the person
23 or entity is approved, or is issued or permitted to hold
24 the gaming license.

25 (3) The relative position of other persons or entities
26 that own or control gaming licenses in Illinois, as

1 evidenced by the market shares of each gaming license in
2 the categories in item (1) of this subsection (c).

3 (4) The current and projected financial condition of
4 the gaming industry.

5 (5) Current market conditions, including level of
6 competition, consumer demand, market concentration, and
7 any other relevant characteristics of the market.

8 (6) Whether the gaming licenses to be issued,
9 transferred or held, directly or indirectly, by the person
10 or entity have separate organizational structures or other
11 independent obligations.

12 (7) The potential impact on the projected future growth
13 and development of the gambling industry, the local
14 communities in which gaming licenses are located, and the
15 State of Illinois.

16 (8) The barriers to entry into the gambling industry,
17 including the licensure requirements of this Act and its
18 rules, and whether the issuance or transfer to, or holding,
19 directly or indirectly, of, a gaming license by the person
20 or entity will operate as a barrier to new companies and
21 individuals desiring to enter the market.

22 (9) Whether the issuance or transfer to or holding,
23 directly or indirectly, of the gaming license by the person
24 or entity will adversely impact on consumer interests, or
25 whether such issuance, transfer or holding is likely to
26 result in enhancing the quality and customer appeal of

1 products and services offered by licensed facilities in
2 order to maintain or increase their respective market
3 shares.

4 (10) Whether a restriction on the issuance or transfer
5 of a gaming license to, or holding, directly or indirectly,
6 of, an additional gaming license by the person is necessary
7 in order to encourage and preserve competition in casino
8 operations.

9 (11) Any other information deemed relevant by the
10 Board.

11 (d) A current licensee may bid on any license awarded after
12 the effective date of this amendatory Act of the 95th General
13 Assembly; provided however, if the Board determines issuance of
14 the license will result in undue economic concentration, the
15 Board may require the licensee to divest holdings in a current
16 license as a condition of granting a license. The Board may
17 also require a licensee to divest holdings in a current license
18 if the licensee acquires an additional license through transfer
19 or sale.

20 (230 ILCS 10/7.25 new)

21 Sec. 7.25. Diversity program.

22 (a) Each gaming licensee and suppliers licensee shall
23 establish and maintain a diversity program to ensure
24 non-discrimination in the award and administration of
25 contracts. The programs shall establish goals of awarding not

1 less than 25% of the annual dollar value of all contracts,
2 purchase orders, or other agreements to minority owned
3 businesses and 5% of the annual dollar value of all contracts
4 to female owned businesses.

5 (b) Each gaming licensee shall establish and maintain a
6 diversity program designed to promote equal opportunity for
7 employment. The program shall establish hiring goals as the
8 Board and each licensee determines appropriate. The Board shall
9 monitor the progress of the gaming licensees' progress with
10 respect to the program's goals.

11 (c) No later than May 31st of each year each licensee shall
12 report to the Board the number of respective employees and the
13 number of their respective employees who have designated
14 themselves as members of a minority group and gender. In
15 addition, all licensees shall submit a report with respect to
16 the minority owned and female owned businesses program created
17 in this Section to the Board.

18 (d) There is created the Diversity Program Commission. The
19 Commission shall consist of 2 members appointed by the
20 Governor, 2 members appointed by the President of the Senate, 2
21 members appointed by the Minority Leader of the Senate, 2
22 members appointed by the Speaker of the House of
23 Representatives, and 2 members appointed by the Minority leader
24 of the House of Representatives. Within 2 years after the
25 members of the Commission are appointed, the Commission shall
26 file a report with the Illinois Gaming Board, the General

1 Assembly, and the Governor regarding the status of minority and
2 female participation in gaming investment opportunities. The
3 report shall focus on all of the following topics:

4 (1) The percentage of minorities and females that
5 currently reside in Illinois.

6 (2) The history of discrimination against minorities
7 and females within the gaming industry in Illinois.

8 (3) The availability of ready, willing, and able
9 minorities and females in Illinois to invest in gaming
10 operations within the State.

11 (4) The current amount of gaming investment throughout
12 Illinois by minorities and females.

13 (5) The need throughout the State to remedy past
14 discrimination practices regarding investment
15 opportunities for these groups.

16 (6) Other facts and statistical data to support the
17 need for remedial measures as a result of historical
18 exclusion of these groups within the gaming industry.

19 (230 ILCS 10/7.30 new)

20 Sec. 7.30. Electronic gaming license transfer fee.

21 (a) An electronic gaming licensee or any other person must
22 apply for and receive the Illinois Gaming Board's approval
23 before:

24 (1) an electronic gaming license is transferred, sold,
25 or purchased; or

1 (2) a voting trust agreement or other similar agreement
2 is established with respect to the electronic gaming
3 license.

4 (b) The Illinois Gaming Board shall adopt rules governing
5 the procedure an electronic gaming licensee or other person
6 must follow to take an action under subsection (a) and (d). The
7 rules must specify that a person who obtains an ownership
8 interest in an electronic gaming license must meet the criteria
9 of this Act and comply with all applicable rules adopted by the
10 Illinois Gaming Board. A licensee may transfer an electronic
11 gaming license only in accordance with this Act and the rules
12 adopted by the Illinois Gaming Board.

13 (c) Except in compliance with rules adopted by the Illinois
14 Gaming Board, which shall not prohibit holders of electronic
15 gaming licenses or the parent companies of any such holders
16 from borrowings for the purpose of developing a gaming
17 investment nor, with respect to any public company, borrowings
18 at the parent level for general corporate purposes consistent
19 with past practices, in each case in the event such borrowings
20 are secured generally by substantially all of the assets of
21 holders or their parent companies, a person may not lease,
22 hypothecate, or borrow or loan money against an electronic
23 gaming license.

24 (d) Except as provided in subsection (e), a transfer fee is
25 imposed on an initial licensee who sells or otherwise
26 relinquishes an interest in an electronic gaming license in an

1 amount equal to the lesser for 20% of the net proceeds received
2 or the estimated net proceeds that could have been received
3 from the gaming positions added as a result of the electronic
4 gaming license for a period of one year preceding the license
5 transfer multiplied by the percentage interest in the
6 electronic gaming license sold or the percentage interest sold
7 multiplied by the product of the original gaming positions
8 licensed times \$20,000

9 This transfer fee will no longer be due on and after the
10 fifth anniversary of the effective date of this amendatory Act
11 of the 95th General Assembly.

12 (e) The fee imposed by subsection (d) shall not apply if:

13 (1) The electronic gaming license is transferred as a
14 result of any of the following:

15 (A) Bankruptcy, a receivership, or a debt
16 adjustment initiated by or against the initial
17 licensee or the substantial owners of the initial
18 license.

19 (B) Cancellation, revocation, or termination of
20 the electronic gaming licensee's license by the
21 Illinois Gaming Board.

22 (C) A determination by the Illinois Gaming Board
23 that transfer of the license is in the best interests
24 of Illinois Gaming.

25 (D) The death of an owner of the equity interest in
26 a licensee.

1 (E) A transaction in which less than a 5% interest
2 of a publicly traded company is transferred.

3 (F) A transfer by a parent company to a wholly
4 owned subsidiary.

5 (2) The controlling interest in the electronic gaming
6 license is transferred in a transaction to lineal
7 descendants in which no gain or loss is recognized or as a
8 result of a transaction in accordance with Section 351 of
9 the Internal Revenue Code in which no gain or loss is
10 recognized.

11 (f) The transfer of an electronic gaming license by a
12 person other than the initial licensee to receive the
13 electronic gaming license is not subject to a transfer fee.

14 (230 ILCS 10/8) (from Ch. 120, par. 2408)

15 Sec. 8. Suppliers licenses.

16 (a) The Board may issue a suppliers license to such
17 persons, firms or corporations which apply therefor upon the
18 payment of a non-refundable application fee set by the Board,
19 upon a determination by the Board that the applicant is
20 eligible for a suppliers license and upon payment of a \$5,000
21 annual license fee.

22 (b) The holder of a suppliers license is authorized to sell
23 or lease, and to contract to sell or lease, gambling equipment
24 and supplies to any licensee involved in the ownership or
25 management of gambling operations.

1 (c) Gambling supplies and equipment may not be distributed
2 unless supplies and equipment conform to standards adopted by
3 rules of the Board.

4 (d) A person, firm or corporation is ineligible to receive
5 a suppliers license if:

6 (1) the person has been convicted of a felony under the
7 laws of this State, any other state, or the United States;

8 (2) the person has been convicted of any violation of
9 Article 28 of the Criminal Code of 1961, or substantially
10 similar laws of any other jurisdiction;

11 (3) the person has submitted an application for a
12 license under this Act which contains false information;

13 (4) the person is a member of the Board;

14 (5) the firm or corporation is one in which a person
15 defined in (1), (2), (3) or (4), is an officer, director or
16 managerial employee;

17 (6) the firm or corporation employs a person who
18 participates in the management or operation of riverboat
19 gambling authorized under this Act;

20 (7) the license of the person, firm or corporation
21 issued under this Act, or a license to own or operate
22 gambling facilities in any other jurisdiction, has been
23 revoked.

24 (e) Any person that supplies any equipment, devices, or
25 supplies to a gambling operation at a licensed facility
26 ~~licensed riverboat gambling operation~~ must first obtain a

1 suppliers license. A supplier shall furnish to the Board a list
2 of all equipment, devices and supplies offered for sale or
3 lease in connection with gambling ~~games~~ authorized under this
4 Act. A supplier shall keep books and records for the furnishing
5 of equipment, devices and supplies to gambling operations
6 separate and distinct from any other business that the supplier
7 might operate. A supplier shall file a quarterly return with
8 the Board listing all sales and leases. A supplier shall
9 permanently affix its name to all its equipment, devices, and
10 supplies for gambling operations. Any supplier's equipment,
11 devices or supplies which are used by any person in an
12 unauthorized gambling operation shall be forfeited to the
13 State. A gaming licensee ~~licensed owner~~ may own its own
14 equipment, devices and supplies. Each gaming licensee ~~holder of~~
15 ~~an owners license under the Act~~ shall file an annual report
16 listing its inventories of gambling equipment, devices and
17 supplies.

18 (f) Any person who knowingly makes a false statement on an
19 application is guilty of a Class A misdemeanor.

20 (g) Any gambling equipment, devices and supplies provided
21 by any licensed supplier may either be repaired at the licensed
22 facility ~~on the riverboat~~ or removed from the licensed facility
23 ~~riverboat~~ to a an on-shore facility owned by gaming licensee
24 ~~the holder of an owners license~~ for repair.

25 (Source: P.A. 86-1029; 87-826.)

1 (230 ILCS 10/9) (from Ch. 120, par. 2409)

2 Sec. 9. Occupational licenses.

3 (a) The Board may issue an occupational license to an
4 applicant upon the payment of a non-refundable fee set by the
5 Board, upon a determination by the Board that the applicant is
6 eligible for an occupational license and upon payment of an
7 annual license fee in an amount to be established. To be
8 eligible for an occupational license, an applicant must:

9 (1) be at least 21 years of age if the applicant will
10 perform any function involved in gaming by patrons. Any
11 applicant seeking an occupational license for a non-gaming
12 function shall be at least 18 years of age;

13 (2) not have been convicted of a felony offense, a
14 violation of Article 28 of the Criminal Code of 1961, or a
15 similar statute of any other jurisdiction, or a crime
16 involving dishonesty or moral turpitude;

17 (3) have demonstrated a level of skill or knowledge
18 which the Board determines to be necessary in order to
19 operate gambling at a licensed facility or to staff a
20 Responsible Play Information Center ~~aboard a riverboat~~;
21 and

22 (4) have met standards for the holding of an
23 occupational license as adopted by rules of the Board. Such
24 rules shall provide that any person or entity seeking an
25 occupational license to manage gambling operations
26 hereunder shall be subject to background inquiries and

1 further requirements similar to those required of
2 applicants for an owners license. Furthermore, such rules
3 shall provide that each such entity shall be permitted to
4 manage gambling operations for only one licensed owner.

5 (b) Each application for an occupational license shall be
6 on forms prescribed by the Board and shall contain all
7 information required by the Board. The applicant shall set
8 forth in the application: whether he has been issued prior
9 gambling related licenses; whether he has been licensed in any
10 other state under any other name, and, if so, such name and his
11 age; and whether or not a permit or license issued to him in
12 any other state has been suspended, restricted or revoked, and,
13 if so, for what period of time.

14 (c) Each applicant shall submit with his application, on
15 forms provided by the Board, 2 sets of his fingerprints. The
16 Board shall charge each applicant a fee set by the Department
17 of State Police to defray the costs associated with the search
18 and classification of fingerprints obtained by the Board with
19 respect to the applicant's application. These fees shall be
20 paid into the State Police Services Fund.

21 (d) The Board may in its discretion refuse an occupational
22 license to any person: (1) who is unqualified to perform the
23 duties required of such applicant; (2) who fails to disclose or
24 states falsely any information called for in the application;
25 (3) who has been found guilty of a violation of this Act or
26 whose prior gambling related license or application therefor

1 has been suspended, restricted, revoked or denied for just
2 cause in any other state; or (4) for any other just cause.

3 (e) The Board may suspend, revoke or restrict any
4 occupational licensee: (1) for violation of any provision of
5 this Act; (2) for violation of any of the rules and regulations
6 of the Board; (3) for any cause which, if known to the Board,
7 would have disqualified the applicant from receiving such
8 license; or (4) for default in the payment of any obligation or
9 debt due to the State of Illinois; or (5) for any other just
10 cause.

11 (f) A person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) Any license issued pursuant to this Section shall be
14 valid for a period of one year from the date of issuance.

15 (h) Nothing in this Act shall be interpreted to prohibit a
16 gaming licensee ~~licensed owner~~ from entering into an agreement
17 with a school approved under the Private Business and
18 Vocational Schools Act for the training of any occupational
19 licensee. Any training offered by such a school shall be in
20 accordance with a written agreement between the gaming licensee
21 ~~licensed owner~~ and the school.

22 (i) Any training provided for occupational licensees may be
23 conducted either at the licensed facility ~~on the riverboat~~ or
24 at a school with which a gaming licensee ~~licensed owner~~ has
25 entered into an agreement pursuant to subsection (h).

26 (Source: P.A. 86-1029; 87-826.)

1 (230 ILCS 10/9.3 new)

2 Sec. 9.3. License fees; deposit.

3 (a) The Board shall annually determine the annual cost of
4 maintaining control and regulatory activities contemplated by
5 this Act for each individual licensee. The Office of Gaming
6 Enforcement shall certify to the Board actual and prospective
7 costs of the investigative and enforcement functions of the
8 Office. These costs, together with the general operating
9 expenses of the Board, shall be the basis for the fee imposed
10 on each licensee. Each individual licensee's fees shall be
11 based upon disproportionate costs for each individual
12 licensee.

13 (b) Upon issuance or the first renewal of a gaming license
14 after the effective date of this amendatory Act of the 95th
15 General Assembly, a gaming licensee shall deposit \$100,000 into
16 a fund held by the Director of the Office of Gaming Enforcement
17 separate from State moneys. The moneys in the fund shall be
18 used by the Director of the Office of Gaming Enforcement for
19 the purpose of conducting any investigation concerning that
20 licensee. Upon each subsequent renewal of a gaming license, the
21 gaming licensee shall deposit the amount necessary to bring the
22 moneys in the fund attributable to that licensee to \$100,000.

23 (230 ILCS 10/9.5 new)

24 Sec. 9.5. Contractor disclosure of political

1 contributions.

2 (a) As used in this Section:

3 "Contracts" means any agreement for services or goods for a
4 period to exceed one year or with an annual value of at least
5 \$10,000.

6 "Contribution" means contribution as defined in this act.

7 "Affiliated person" means (i) any person with any ownership
8 interest or distributive share of the bidding or contracting
9 entity in excess of 1%, (ii) executive employees of the bidding
10 or contracting entity, and (iii) the spouse and minor children
11 of any such persons.

12 "Affiliated entity" means (i) any parent or subsidiary of
13 the bidding or contracting entity, (ii) any member of the same
14 unitary business group, or (iii) any political committee for
15 which the bidding or contracting entity is the sponsoring
16 entity.

17 (b) A bidder, offeror, or contractor for contracts with a
18 licensee shall disclose all political contributions of the
19 bidder, offeror, or contractor and any affiliated person or
20 entity. Such disclosure must accompany any contract. The
21 disclosure must be submitted to the Board with a copy of the
22 contract prior to Board approval of the contract. The
23 disclosure of each successful bidder or offeror shall become
24 part of the publicly available record.

25 (c) Disclosure by the bidder, offeror, or contractor shall
26 include at least the names and addresses of the contributors

1 and the dollar amounts of any contributions to any political
2 committee made within the previous 2 years.

3 (d) The Board shall refuse to approve any contract that
4 does not include the required disclosure. The Board must
5 include the disclosure on their website.

6 (e) The Board may direct a licensee to void a contract if a
7 violation of this Section occurs.

8 (230 ILCS 10/11) (from Ch. 120, par. 2411)

9 Sec. 11. Conduct of gambling. Gambling may be conducted by
10 gaming licensees at licensed facilities or in a temporary
11 location as provided in this Act. Gambling authorized under
12 this Section shall be ~~licensed owners or licensed managers on~~
13 ~~behalf of the State aboard riverboats,~~ subject to the following
14 standards:

15 (1) An owners ~~A~~ licensee may conduct riverboat gambling
16 authorized under this Act regardless of whether it conducts
17 excursion cruises. A licensee may permit the continuous
18 ingress and egress of passengers for the purpose of
19 gambling.

20 (2) (Blank).

21 (3) Minimum and maximum wagers on games shall be set by
22 the licensee.

23 (4) Agents of the Office of Gaming Enforcement ~~Board~~
24 ~~and the Department of State Police~~ may board and inspect
25 any licensed facility ~~riverboat~~ at any time for the purpose

1 of determining whether this Act is being complied with.
2 Every riverboat, if under way and being hailed by a law
3 enforcement officer or agent of the Board, must stop
4 immediately and lay to.

5 (5) Employees of the Board or Office of Gaming
6 Enforcement shall have the right to be present at the
7 licensed facility ~~on the riverboat~~ or on adjacent
8 facilities under the control of the gaming licensee.

9 (6) Gambling equipment and supplies customarily used
10 in the conduct of ~~conducting riverboat~~ gambling must be
11 purchased or leased only from suppliers licensed for such
12 purpose under this Act.

13 (7) Persons licensed under this Act shall permit no
14 form of wagering on gambling games except as permitted by
15 this Act.

16 (8) Wagers may be received only from a person present
17 at a licensed facility ~~on a licensed riverboat~~. No person
18 present at a licensed facility ~~on a licensed riverboat~~
19 shall place or attempt to place a wager on behalf of
20 another person who is not present at the licensed facility
21 ~~on the riverboat~~.

22 (9) Wagering, including electronic gaming, shall not
23 be conducted with money or other negotiable currency.

24 (10) A person under age 21 shall not be permitted on an
25 area of a licensed facility ~~riverboat~~ where gambling is
26 being conducted, except for a person at least 18 years of

1 age who is an employee of the ~~riverboat~~ gambling operation.
2 No employee under age 21 shall perform any function
3 involved in gambling by the patrons. No person under age 21
4 shall be permitted to make a wager under this Act.

5 (11) Gambling excursion cruises are permitted only
6 when the waterway for which the riverboat is licensed is
7 navigable, as determined by the Board in consultation with
8 the U.S. Army Corps of Engineers. This paragraph (11) does
9 not limit the ability of a licensee to conduct gambling
10 authorized under this Act when gambling excursion cruises
11 are not permitted.

12 (12) All tokens, chips, or electronic cards used to
13 make wagers must be purchased (i) from an owners licensee a
14 licensed owner or manager, in the case of a riverboat,
15 either aboard the a riverboat or at an onshore facility
16 which has been approved by the Board and which is located
17 where the riverboat docks, (ii) in the case of a casino,
18 from a licensed casino operator at the casino, or (iii)
19 from an electronic gaming licensee at the electronic gaming
20 facility. The tokens, chips or electronic cards may be
21 purchased by means of an agreement under which the owner or
22 manager extends credit to the patron. Such tokens, chips or
23 electronic cards may be used while at the licensed facility
24 ~~aboard the riverboat~~ only for the purpose of making wagers
25 on gambling games and electronic poker.

26 (13) Notwithstanding any other Section of this Act, in

1 addition to the other licenses authorized under this Act,
2 the Board may issue special event licenses allowing persons
3 who are not otherwise licensed to conduct riverboat
4 gambling to conduct such gambling on a specified date or
5 series of dates. Riverboat gambling under such a license
6 may take place on a riverboat not normally used for
7 riverboat gambling. The Board shall establish standards,
8 fees and fines for, and limitations upon, such licenses,
9 which may differ from the standards, fees, fines and
10 limitations otherwise applicable under this Act. All such
11 fees shall be deposited into the State Gaming Fund. All
12 such fines shall be deposited into the Education Assistance
13 Fund, created by Public Act 86-0018, of the State of
14 Illinois.

15 (14) In addition to the above, gambling must be
16 conducted in accordance with all rules adopted by the
17 Board.

18 (Source: P.A. 93-28, eff. 6-20-03.)

19 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

20 Sec. 11.1. Collection of amounts owing under credit
21 agreements. Notwithstanding any applicable statutory provision
22 to the contrary, a gaming licensee ~~licensed owner or manager~~
23 who extends credit to a ~~riverboat~~ gambling patron pursuant to
24 Section 11 (a) (12) of this Act is expressly authorized to
25 institute a cause of action to collect any amounts due and

1 owing under the extension of credit, as well as the owner's or
2 manager's costs, expenses and reasonable attorney's fees
3 incurred in collection.

4 (Source: P.A. 93-28, eff. 6-20-03.)

5 (230 ILCS 10/11.2)

6 Sec. 11.2. Relocation of riverboat home dock.

7 (a) Prior to the effective date of this amendatory Act of
8 the 95th General Assembly, a ~~A~~ licensee that was not conducting
9 riverboat gambling on January 1, 1998 may apply to the Board
10 for renewal and approval of relocation to a new home dock
11 location authorized under Section 3(c) and the Board shall
12 grant the application and approval upon receipt by the licensee
13 of approval from the new municipality or county, as the case
14 may be, in which the licensee wishes to relocate pursuant to
15 Section 7(j).

16 (b) Any licensee that relocates its home dock pursuant to
17 this Section shall attain a level of at least 20% minority
18 person and female ownership, at least 16% and 4% respectively,
19 within a time period prescribed by the Board, but not to exceed
20 12 months from the date the licensee begins conducting gambling
21 at the new home dock location. The 12-month period shall be
22 extended by the amount of time necessary to conduct a
23 background investigation pursuant to Section 6. For the
24 purposes of this Section, the terms "female" and "minority
25 person" have the meanings provided in Section 2 of the Business

1 Enterprise for Minorities, Females, and Persons with
2 Disabilities Act.

3 (Source: P.A. 91-40, eff. 6-25-99.)

4 (230 ILCS 10/12) (from Ch. 120, par. 2412)

5 Sec. 12. Admission tax; fees.

6 (a) A tax is hereby imposed upon admissions to riverboats
7 and casinos operated by licensed owners and upon admissions to
8 casinos and riverboats operated by casino operators on behalf
9 of the Authority authorized pursuant to this Act. Until July 1,
10 2002, the rate is \$2 per person admitted. From July 1, 2002
11 until July 1, 2003, the rate is \$3 per person admitted. From
12 July 1, 2003 until the effective date of this amendatory Act of
13 the 94th General Assembly, for a licensee that admitted
14 1,000,000 persons or fewer in the previous calendar year, the
15 rate is \$3 per person admitted; for a licensee that admitted
16 more than 1,000,000 but no more than 2,300,000 persons in the
17 previous calendar year, the rate is \$4 per person admitted; and
18 for a licensee that admitted more than 2,300,000 persons in the
19 previous calendar year, the rate is \$5 per person admitted.
20 Beginning on August 23, 2005 (the effective date of Public Act
21 94-673) and until the effective date of this amendatory Act of
22 the 95th General Assembly ~~this amendatory Act of the 94th~~
23 ~~General Assembly~~, for a licensee that admitted 1,000,000
24 persons or fewer in calendar year 2004, the rate is \$2 per
25 person admitted, and for all other licensees the rate is \$3 per

1 person admitted. Beginning on the effective date of this
2 amendatory Act of the 95th General Assembly, for a licensee
3 that conducted riverboat gambling operations in calendar year
4 2003 and (i) admitted 1,000,000 persons or fewer in the
5 calendar year 2003, the rate is \$1 per person admitted; (ii)
6 admitted more than 1,000,000 persons but fewer than 1,500,000
7 persons, the rate is \$2 per person admitted; and (iii) admitted
8 1,500,000 persons or more, the rate is \$3 per person admitted.
9 For a licensee that receives its license under Section 7 and
10 was not conducting riverboat gambling operations in calendar
11 year 2003 and for a licensee under Section 7.11a, except for a
12 license held by the Illinois Casino Development Act, the rate
13 is \$3 per person admitted. This admission tax is imposed upon
14 the licensed owner conducting gambling.

15 (1) The admission tax shall be paid for each admission,
16 except that a person who exits a riverboat gambling
17 facility and reenters that riverboat gambling facility
18 within the same gaming day shall be subject only to the
19 initial admission tax. The Board shall establish, by rule,
20 a procedure to determine whether a person admitted to a
21 riverboat gambling facility or casino has paid the
22 admission tax.

23 (2) (Blank).

24 (3) An owners licensee and the Authority ~~The riverboat~~
25 ~~licensee~~ may issue tax-free passes to actual and necessary
26 officials and employees of the licensee or other persons

1 actually working on the riverboat or in the casino.

2 (4) The number and issuance of tax-free passes is
3 subject to the rules of the Board, and a list of all
4 persons to whom the tax-free passes are issued shall be
5 filed with the Board.

6 (a-5) A fee is hereby imposed upon admissions operated by
7 licensed managers on behalf of the State pursuant to Section
8 7.3 at the rates provided in this subsection (a-5). For a
9 licensee that admitted 1,000,000 persons or fewer in the
10 previous calendar year, the rate is \$3 per person admitted; for
11 a licensee that admitted more than 1,000,000 but no more than
12 2,300,000 persons in the previous calendar year, the rate is \$4
13 per person admitted; and for a licensee that admitted more than
14 2,300,000 persons in the previous calendar year, the rate is \$5
15 per person admitted.

16 (1) The admission fee shall be paid for each admission.

17 (2) (Blank).

18 (3) The licensed manager may issue fee-free passes to
19 actual and necessary officials and employees of the manager
20 or other persons actually working on the riverboat.

21 (4) The number and issuance of fee-free passes is
22 subject to the rules of the Board, and a list of all
23 persons to whom the fee-free passes are issued shall be
24 filed with the Board.

25 (b) From the tax imposed under subsection (a) and the fee
26 imposed under subsection (a-5), a municipality shall receive

1 from the State \$1 for each person embarking on a riverboat
2 docked within the municipality or entering a casino located
3 within the municipality, and a county shall receive \$1 for each
4 person entering a casino or embarking on a riverboat docked
5 within the county but outside the boundaries of any
6 municipality. The municipality's or county's share shall be
7 collected by the Board on behalf of the State and remitted
8 quarterly by the State, subject to appropriation, to the
9 treasurer of the unit of local government for deposit in the
10 general fund. For each admission in excess of 1,500,000 in a
11 year, from the tax imposed under this Section, the county in
12 which the licensee's home dock is located shall receive,
13 subject to appropriation, \$0.15, which shall be in addition to
14 any other moneys paid to the county under this Section.

15 (c) The licensed owner and the licensed casino operator
16 conducting gambling operations on behalf of the Authority shall
17 pay the entire admission tax to the Board and the licensed
18 manager shall pay the entire admission fee to the Board. Such
19 payments shall be made daily. Accompanying each payment shall
20 be a return on forms provided by the Board which shall include
21 other information regarding admissions as the Board may
22 require. Failure to submit either the payment or the return
23 within the specified time may result in suspension or
24 revocation of the owners or managers license.

25 (d) The Board shall administer and collect the admission
26 tax imposed by this Section, to the extent practicable, in a

1 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
2 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
3 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
4 Penalty and Interest Act.

5 (Source: P.A. 94-673, eff. 8-23-05; 95-663, eff. 10-11-07.)

6 (230 ILCS 10/12.1 new)

7 Sec. 12.1. Identification required. An owners licensee or
8 casino licensee shall implement procedures to obtain a valid
9 government-issued photo identification card containing, at a
10 minimum, a date of birth from patrons appearing to be age 30
11 and under prior to the patron passing through the admission
12 turnstiles. The owners licensee or casino licensee shall file
13 the procedures with the Board. The procedures shall include the
14 following:

15 (1) The forms of identification accepted, which shall
16 include:

17 (A) a driver's license or State photo
18 identification card issued in the United States;

19 (B) a passport;

20 (C) a U.S. issued military I.D.;

21 (D) a photo identification card issued by a
22 government entity located within the United States or a
23 U.S. territory or possession; and

24 (E) a U.S. issued alien identification card.

25 (2) A description of how information obtained from the

1 identification card will be compared to the Board's
2 Statewide Voluntary Self-Exclusion List, including a
3 description of procedures to ensure the confidentiality of
4 the information. Information obtained from identification
5 cards may be maintained for statistical or regulatory
6 purposes, but not for marketing, promotional, or any other
7 purpose.

8 The Board may not enforce, impose, or adopt administrative
9 rules for identification requirements or procedures other than
10 those contained in this Section.

11 (230 ILCS 10/13) (from Ch. 120, par. 2413)

12 Sec. 13. Wagering tax; rate; distribution.

13 (a) Until January 1, 1998, a tax is imposed on the adjusted
14 gross receipts received from gambling games authorized under
15 this Act at the rate of 20%.

16 (a-1) From January 1, 1998 until July 1, 2002, a privilege
17 tax is imposed on persons engaged in the business of conducting
18 riverboat gambling operations, based on the adjusted gross
19 receipts received by a licensed owner from gambling games
20 authorized under this Act at the following rates:

21 15% of annual adjusted gross receipts up to and
22 including \$25,000,000;

23 20% of annual adjusted gross receipts in excess of
24 \$25,000,000 but not exceeding \$50,000,000;

25 25% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 30% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;

4 35% of annual adjusted gross receipts in excess of
5 \$100,000,000.

6 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
7 is imposed on persons engaged in the business of conducting
8 riverboat gambling operations, other than licensed managers
9 conducting riverboat gambling operations on behalf of the
10 State, based on the adjusted gross receipts received by a
11 licensed owner from gambling games authorized under this Act at
12 the following rates:

13 15% of annual adjusted gross receipts up to and
14 including \$25,000,000;

15 22.5% of annual adjusted gross receipts in excess of
16 \$25,000,000 but not exceeding \$50,000,000;

17 27.5% of annual adjusted gross receipts in excess of
18 \$50,000,000 but not exceeding \$75,000,000;

19 32.5% of annual adjusted gross receipts in excess of
20 \$75,000,000 but not exceeding \$100,000,000;

21 37.5% of annual adjusted gross receipts in excess of
22 \$100,000,000 but not exceeding \$150,000,000;

23 45% of annual adjusted gross receipts in excess of
24 \$150,000,000 but not exceeding \$200,000,000;

25 50% of annual adjusted gross receipts in excess of
26 \$200,000,000.

1 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
2 persons engaged in the business of conducting riverboat
3 gambling operations, other than licensed managers conducting
4 riverboat gambling operations on behalf of the State, based on
5 the adjusted gross receipts received by a licensed owner from
6 gambling games authorized under this Act at the following
7 rates:

8 15% of annual adjusted gross receipts up to and
9 including \$25,000,000;

10 27.5% of annual adjusted gross receipts in excess of
11 \$25,000,000 but not exceeding \$37,500,000;

12 32.5% of annual adjusted gross receipts in excess of
13 \$37,500,000 but not exceeding \$50,000,000;

14 37.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$75,000,000;

16 45% of annual adjusted gross receipts in excess of
17 \$75,000,000 but not exceeding \$100,000,000;

18 50% of annual adjusted gross receipts in excess of
19 \$100,000,000 but not exceeding \$250,000,000;

20 70% of annual adjusted gross receipts in excess of
21 \$250,000,000.

22 An amount equal to the amount of wagering taxes collected
23 under this subsection (a-3) that are in addition to the amount
24 of wagering taxes that would have been collected if the
25 wagering tax rates under subsection (a-2) were in effect shall
26 be paid into the Common School Fund.

1 The privilege tax imposed under this subsection (a-3) shall
2 no longer be imposed beginning on the earlier of (i) July 1,
3 2005; (ii) the first date after June 20, 2003 that riverboat
4 gambling operations are conducted pursuant to a dormant
5 license; or (iii) the first day that riverboat gambling
6 operations are conducted under the authority of an owners
7 license that is in addition to the 10 owners licenses initially
8 authorized under this Act. For the purposes of this subsection
9 (a-3), the term "dormant license" means an owners license that
10 is authorized by this Act under which no riverboat gambling
11 operations are being conducted on June 20, 2003.

12 (a-4) Beginning on the first day on which the tax imposed
13 under subsection (a-3) is no longer imposed, a privilege tax is
14 imposed on persons engaged in the business of conducting
15 riverboat gambling operations, other than licensed managers
16 conducting riverboat gambling operations on behalf of the
17 State, based on the adjusted gross receipts received by a
18 licensed owner from gambling games and electronic poker
19 authorized under this Act at the following rates:

20 15% of annual adjusted gross receipts up to and
21 including \$25,000,000;

22 22.5% of annual adjusted gross receipts in excess of
23 \$25,000,000 but not exceeding \$50,000,000;

24 27.5% of annual adjusted gross receipts in excess of
25 \$50,000,000 but not exceeding \$75,000,000;

26 32.5% of annual adjusted gross receipts in excess of

1 \$75,000,000 but not exceeding \$100,000,000;

2 37.5% of annual adjusted gross receipts in excess of
3 \$100,000,000 but not exceeding \$150,000,000;

4 45% of annual adjusted gross receipts in excess of
5 \$150,000,000 but not exceeding \$200,000,000;

6 50% of annual adjusted gross receipts in excess of
7 \$200,000,000.

8 (a-5) Beginning on the effective date of this amendatory
9 Act of the 95th General Assembly, a privilege tax is imposed on
10 casino gambling operations conducted pursuant to a license
11 issued to the Chicago Casino Development Authority or pursuant
12 to a license issued under Section 7.11a to a private entity at
13 the same rates specified in subsection (a-4) for the privilege
14 tax on riverboat gambling operations. No privilege tax shall be
15 imposed on casino gambling operations conducted pursuant to a
16 license issued to the Illinois Casino Development Authority.

17 (a-6) Beginning on the effective date of this amendatory
18 Act of the 95th General Assembly, a privilege tax is imposed on
19 persons conducting electronic gaming based on the net adjusted
20 gross receipts received by an electronic gaming licensee from
21 electronic gaming and electronic poker at the following rates:

22 15% of annual net adjusted gross receipts up to and
23 including \$25,000,000;

24 22.5% of annual net adjusted gross receipts in excess
25 of \$25,000,000 but not exceeding \$50,000,000;

26 27.5% of annual net adjusted gross receipts in excess

1 of \$50,000,000 but not exceeding \$75,000,000;

2 32.5% of annual net adjusted gross receipts in excess
3 of \$75,000,000 but not exceeding \$100,000,000;

4 37.5% of annual net adjusted gross receipts in excess
5 of \$100,000,000 but not exceeding \$150,000,000;

6 45% of annual net adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;

8 50% of annual net adjusted gross receipts in excess of
9 \$200,000,000.

10 As used in this Section, "net adjusted gross receipts"
11 means total adjusted gross receipts minus purse account
12 distributions made pursuant to subsection (a-5) of Section 56
13 of the Illinois Horse Racing Act of 1975.

14 (a-8) Riverboat gambling operations conducted by a
15 licensed manager on behalf of the State are not subject to the
16 tax imposed under this Section.

17 (a-10) The taxes imposed by this Section shall be paid by
18 the gaming licensee ~~licensed owner~~ to the Board not later than
19 3:00 o'clock p.m. of the day after the day when the wagers were
20 made.

21 (a-15) If the privilege tax imposed under subsection (a-3)
22 is no longer imposed pursuant to item (i) of the last paragraph
23 of subsection (a-3), then by June 15 of each year, each owners
24 licensee, other than an owners licensee that admitted 1,000,000
25 persons or fewer in calendar year 2004, must, in addition to
26 the payment of all amounts otherwise due under this Section,

1 pay to the Board a reconciliation payment in the amount, if
2 any, by which the licensed owner's base amount exceeds the
3 amount of net privilege tax paid by the licensed owner to the
4 Board in the then current State fiscal year. A licensed owner's
5 net privilege tax obligation due for the balance of the State
6 fiscal year shall be reduced up to the total of the amount paid
7 by the licensed owner in its June 15 reconciliation payment.
8 The obligation imposed by this subsection (a-15) is binding on
9 any person, firm, corporation, or other entity that acquires an
10 ownership interest in any such owners license. The obligation
11 imposed under this subsection (a-15) terminates on the earliest
12 of: (i) July 1, 2007, (ii) the first day after the effective
13 date of this amendatory Act of the 94th General Assembly that
14 riverboat gambling operations are conducted pursuant to a
15 dormant license, (iii) the first day that riverboat gambling
16 operations are conducted under the authority of an owners
17 license that is in addition to the 10 owners licenses initially
18 authorized under this Act, or (iv) the first day that a
19 licensee under the Illinois Horse Racing Act of 1975 conducts
20 gaming operations with slot machines or other electronic gaming
21 devices. The Board must reduce the obligation imposed under
22 this subsection (a-15) by an amount the Board deems reasonable
23 for any of the following reasons: (A) an act or acts of God,
24 (B) an act of bioterrorism or terrorism or a bioterrorism or
25 terrorism threat that was investigated by a law enforcement
26 agency, or (C) a condition beyond the control of the owners

1 licensee that does not result from any act or omission by the
2 owners licensee or any of its agents and that poses a hazardous
3 threat to the health and safety of patrons. If an owners
4 licensee pays an amount in excess of its liability under this
5 Section, the Board shall apply the overpayment to future
6 payments required under this Section.

7 For purposes of this subsection (a-15):

8 "Act of God" means an incident caused by the operation of
9 an extraordinary force that cannot be foreseen, that cannot be
10 avoided by the exercise of due care, and for which no person
11 can be held liable.

12 "Base amount" means the following:

13 For a riverboat in Alton, \$31,000,000.

14 For a riverboat in East Peoria, \$43,000,000.

15 For the Empress riverboat in Joliet, \$86,000,000.

16 For a riverboat in Metropolis, \$45,000,000.

17 For the Harrah's riverboat in Joliet, \$114,000,000.

18 For a riverboat in Aurora, \$86,000,000.

19 For a riverboat in East St. Louis, \$48,500,000.

20 For a riverboat in Elgin, \$198,000,000.

21 "Dormant license" has the meaning ascribed to it in
22 subsection (a-3).

23 "Net privilege tax" means all privilege taxes paid by a
24 licensed owner to the Board under this Section, less all
25 payments made from the State Gaming Fund pursuant to subsection
26 (b) of this Section.

1 The changes made to this subsection (a-15) by Public Act
2 94-839 are intended to restate and clarify the intent of Public
3 Act 94-673 with respect to the amount of the payments required
4 to be made under this subsection by an owners licensee to the
5 Board.

6 (b) Until January 1, 1998, 25% of the tax revenue deposited
7 in the State Gaming Fund under this Section shall be paid,
8 subject to appropriation by the General Assembly, to the unit
9 of local government which is designated as the home dock of the
10 riverboat. Except as otherwise provided in this subsection (b),
11 beginning ~~Beginning~~ January 1, 1998, from the tax revenue
12 deposited in the State Gaming Fund under this Section, an
13 amount equal to 5% of adjusted gross receipts generated by a
14 riverboat shall be paid monthly, subject to appropriation by
15 the General Assembly, to the unit of local government that is
16 designated as the home dock of the riverboat.

17 For calendar year 2008 and each year thereafter, (i) the
18 unit of local government that is designated as the home dock of
19 a riverboat conducting gambling operations on the effective
20 date of this amendatory Act of the 95th General Assembly shall
21 not receive more money pursuant to this subsection (b) than it
22 received in the calendar year 2007.

23 If the Board certifies that the amounts paid under this
24 subsection (b) to a unit of local government in which a
25 riverboat in operation in calendar year 2007 is located during
26 the first and second calendar year that electronic gaming is

1 conducted are less than those paid under this subsection during
2 the base year, then the Board shall pay from the State Gaming
3 Fund to the unit of local government that is designated as the
4 home dock of the riverboat an amount equal to 100% of the
5 difference. If the Board certifies that the amounts paid under
6 this subsection (b) to a unit of local government in which a
7 riverboat in operation in calendar year 2007 is located during
8 the third and fourth calendar year that electronic gaming is
9 conducted are less than those paid under this subsection during
10 the base year, then the Board shall pay from the State Gaming
11 Fund to the unit of local government that is designated as the
12 home dock of the riverboat an amount equal to 75% of the
13 difference. If the Board certifies that the amounts paid under
14 this subsection (b) to a unit of local government in which a
15 riverboat in operation in calendar year 2007 is located during
16 the fifth calendar year that electronic gaming is conducted are
17 less than those paid under this subsection during the base
18 year, then the Board shall pay from the State Gaming Fund to
19 the unit of local government that is designated as the home
20 dock of the riverboat an amount equal to 50% of the difference.
21 No payments for losses associated with electronic gaming shall
22 be made after the fifth year that electronic gaming is
23 conducted.

24 For the purpose of this subsection (b), "base year" means
25 the calendar year before electronic gaming is conducted in the
26 State of Illinois.

1 Beginning on the effective date of this amendatory Act of
2 the 95th General Assembly, from the tax revenue deposited in
3 the State Gaming Fund under this Section, an amount equal to 2%
4 of the new adjusted gross receipts generated by a riverboat not
5 located in St. Clair County that is conducting gambling
6 operations on the effective date of this amendatory Act of the
7 95th General Assembly shall be paid monthly, subject to
8 appropriation by the General Assembly, to the county in which
9 the home dock of the riverboat is located for the purposes of
10 its criminal justice system or health care.

11 Beginning on the effective date of this amendatory Act of
12 the 95th General Assembly, from the tax revenue deposited into
13 the State Gaming Fund under this Section, (i) an amount equal
14 to 0.75% of new adjusted gross receipts generated by a
15 riverboat located in St. Clair County conducting gambling
16 operations on the effective date of this amendatory Act of the
17 95th General Assembly shall be paid monthly, subject to
18 appropriation by the General Assembly, to St. Clair County for
19 the purposes of its criminal justice system or health care and
20 (ii) an amount equal to 1.25% of new adjusted gross receipts
21 generated by a riverboat located in St. Clair County conducting
22 gambling operations on the effective date of this amendatory
23 Act of the 95th General Assembly shall be divided equally and
24 paid monthly, subject to appropriation by the General Assembly,
25 to the Village of Alorton, the Village of Brooklyn, the Village
26 of Cahokia, the City of Centreville, and the Village of

1 Washington Park for the purposes of economic development.

2 As used in this subsection (b), "new adjusted gross
3 receipts" means the difference between the adjusted gross
4 receipts generated by a riverboat conducting gambling
5 operations on the effective date of this amendatory Act of the
6 95th General Assembly in the payment month and the adjusted
7 gross receipts generated by that riverboat in the corresponding
8 month in 2007.

9 As used in this subsection (b), "base year" means the
10 calendar year before electronic gaming is conducted in the
11 State of Illinois.

12 Beginning on the effective date of this amendatory Act of
13 the 95th General Assembly, from the tax revenue deposited in
14 the State Gaming Fund under this Section, an amount equal to
15 (i) 2% of adjusted gross receipts (net adjusted gross receipts
16 for electronic gaming facilities) generated by a riverboat not
17 in operation on the effective date of this amendatory Act of
18 the 95th General Assembly, casino, excluding the casino
19 operated by the Chicago Casino Development Authority and the
20 casino operated by the Illinois Casino Development Authority,
21 or electronic gaming facility located outside Madison County
22 shall be paid monthly, subject to appropriation by the General
23 Assembly, to the unit of local government that is designated as
24 the home dock of the riverboat or the municipality in which a
25 casino, excluding the casino operated by the Chicago Casino
26 Development Authority and the casino operated by the Illinois

1 Casino Development Authority, or an electronic gaming facility
2 is located, (ii) 3% of adjusted gross receipts (net adjusted
3 gross receipts for tracks) generated by a riverboat or casino
4 not in operation on the effective date of this amendatory Act
5 of the 95th General Assembly, except the casino operated by the
6 Chicago Casino Development Authority and the casino operated by
7 the Illinois Casino Development Authority, or the electronic
8 gaming facility located outside Madison County shall be paid
9 monthly, subject to appropriation by the General Assembly, to
10 the county in which the home dock of the riverboat, the casino,
11 excluding the casino operated by the Chicago Casino Development
12 Authority and the casino operated by the Illinois Casino
13 Development Authority, or electronic gaming facility is
14 located for the purposes of its criminal justice system or
15 health care system, and (iii) 1.5% of adjusted gross receipts
16 generated by the casino operated by the Chicago Casino
17 Development Authority shall be paid monthly to Cook County for
18 the purposes of its criminal justice system or health care
19 system. In the case of an electronic gaming facility that is
20 not located in a municipality on the effective date of this
21 amendatory Act of the 95th General Assembly, the amounts
22 distributed under this subsection (b) shall be distributed
23 wholly to the county.

24 Beginning on the effective date of this amendatory Act of
25 the 95th General Assembly, from the tax revenue deposited in
26 the State Gaming Fund under this section, an amount equal to

1 (i) 2% of net adjusted gross receipts generated by an
2 electronic gaming facility located in Madison County shall be
3 paid monthly, subject to appropriation by the General Assembly,
4 to the unit of local government in which the electronic gaming
5 facility is located, (ii) 1.5% of net adjusted gross receipts
6 generated by an electronic gaming facility located in Madison
7 County shall be paid monthly, subject to appropriation by the
8 General Assembly, to Madison County for the purposes of its
9 criminal justice or health care systems, and (iii) 1.5% of net
10 adjusted gross receipts generated by an electronic gaming
11 facility located in Madison County shall be paid monthly,
12 subject to appropriation by the General Assembly, to St. Clair
13 County for the purposes of its criminal justice or health care
14 systems.

15 From the tax revenue deposited in the State Gaming Fund
16 pursuant to riverboat gambling operations conducted by a
17 licensed manager on behalf of the State, an amount equal to 5%
18 of adjusted gross receipts generated pursuant to those
19 riverboat gambling operations shall be paid monthly, subject to
20 appropriation by the General Assembly, to the unit of local
21 government that is designated as the home dock of the riverboat
22 upon which those riverboat gambling operations are conducted.

23 (b-5) An amount equal to 1% of the adjusted gross receipts
24 from the first owners licensee, riverboat, or casino licensee
25 issued on or after the effective date of this amendatory Act of
26 the 95th General Assembly authorizing gambling in Cook County

1 shall be paid monthly, subject to appropriation by the General
2 Assembly, to the Depressed Communities Economic Development
3 Fund, which is created as a special fund in the State treasury.
4 The Department of Commerce and Economic Opportunity shall
5 administer the Fund and use moneys in the Fund to make grants
6 for revitalization of communities in accordance with Section
7 605-530 of The Department of Economic Opportunity Law of the
8 Civil Administration Code of Illinois.

9 (c) (Blank). ~~Appropriations, as approved by the General~~
10 ~~Assembly, may be made from the State Gaming Fund to the~~
11 ~~Department of Revenue and the Department of State Police for~~
12 ~~the administration and enforcement of this Act, or to the~~
13 ~~Department of Human Services for the administration of programs~~
14 ~~to treat problem gambling.~~

15 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~
16 ~~Public Act 94-804) and beginning 2 years after May 26, 2006~~
17 ~~(the effective date of Public Act 94-804), after the payments~~
18 ~~required under subsections (b) and (c) have been made, an~~
19 ~~amount equal to 15% of the adjusted gross receipts of (1) an~~
20 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~
21 ~~owners licensee conducting riverboat gambling operations~~
22 ~~pursuant to an owners license that is initially issued after~~
23 ~~June 25, 1999, or (3) the first riverboat gambling operations~~
24 ~~conducted by a licensed manager on behalf of the State under~~
25 ~~Section 7.3, whichever comes first, shall be paid from the~~
26 ~~State Gaming Fund into the Horse Racing Equity Fund.~~

1 (c-10) (Blank). ~~Each year the General Assembly shall~~
2 ~~appropriate from the General Revenue Fund to the Education~~
3 ~~Assistance Fund an amount equal to the amount paid into the~~
4 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~
5 ~~prior calendar year.~~

6 (c-15) (Blank). ~~After the payments required under~~
7 ~~subsections (b), (c), and (c-5) have been made, an amount equal~~
8 ~~to 2% of the adjusted gross receipts of (1) an owners licensee~~
9 ~~that relocates pursuant to Section 11.2, (2) an owners licensee~~
10 ~~conducting riverboat gambling operations pursuant to an owners~~
11 ~~license that is initially issued after June 25, 1999, or (3)~~
12 ~~the first riverboat gambling operations conducted by a licensed~~
13 ~~manager on behalf of the State under Section 7.3, whichever~~
14 ~~comes first, shall be paid, subject to appropriation from the~~
15 ~~General Assembly, from the State Gaming Fund to each home rule~~
16 ~~county with a population of over 3,000,000 inhabitants for the~~
17 ~~purpose of enhancing the county's criminal justice system.~~

18 (c-20) (Blank). ~~Each year the General Assembly shall~~
19 ~~appropriate from the General Revenue Fund to the Education~~
20 ~~Assistance Fund an amount equal to the amount paid to each home~~
21 ~~rule county with a population of over 3,000,000 inhabitants~~
22 ~~pursuant to subsection (c-15) in the prior calendar year.~~

23 (c-25) (Blank). ~~After the payments required under~~
24 ~~subsections (b), (c), (c-5) and (c-15) have been made, an~~
25 ~~amount equal to 2% of the adjusted gross receipts of (1) an~~
26 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~

1 ~~owners licensee conducting riverboat gambling operations~~
2 ~~pursuant to an owners license that is initially issued after~~
3 ~~June 25, 1999, or (3) the first riverboat gambling operations~~
4 ~~conducted by a licensed manager on behalf of the State under~~
5 ~~Section 7.3, whichever comes first, shall be paid from the~~
6 ~~State Gaming Fund to Chicago State University.~~

7 (d) From time to time, the Board shall transfer all
8 remaining revenue generated by riverboat gambling under this
9 Act as follows: (i) from revenue generated by riverboats in
10 operation on the effective date of this amendatory Act of the
11 95th General Assembly, an amount equal to the amount
12 transferred from the State Gaming Fund into the Education
13 Assistance Fund in fiscal year 2007, plus all revenue generated
14 by the dormant license, shall be transferred ~~the remainder of~~
15 ~~the funds generated by this Act~~ into the Education Assistance
16 Fund, created by Public Act 86-0018, of the State of Illinois
17 and (ii) the remainder of the funds generated by riverboat
18 gambling under this Act shall be transferred into the Illinois
19 Works Debt Service Fund. For the purposes of this subsection
20 (d), "dormant license" means an owners license that was
21 authorized by this Act on June 20, 2003, but under which no
22 riverboat gambling operations were being conducted on that
23 date.

24 (e) From time to time, the Board shall transfer all
25 remaining revenue generated under this Act from casino gambling
26 operations and electronic gaming into the Illinois Works Debt

1 Service Fund.

2 (f) ~~(e)~~ Nothing in this Act shall prohibit the unit of
3 local government designated as the home dock of the riverboat
4 or the municipality in which a casino is located from entering
5 into agreements with other units of local government in this
6 State or in other states to share its portion of the tax
7 revenue.

8 (g) ~~(f)~~ To the extent practicable, the Board shall
9 administer and collect the wagering taxes imposed by this
10 Section in a manner consistent with the provisions of Sections
11 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,
12 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of
13 the Uniform Penalty and Interest Act.

14 (Source: P.A. 94-673, eff. 8-23-05; 94-804, eff. 5-26-06;
15 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

16 (230 ILCS 10/13.2 new)

17 Sec. 13.2. Responsible Play Information Centers.

18 (a) Each gaming licensee must provide on-site Responsible
19 Play Information Centers (RPICs) in each licensed facility for
20 the purposes of (1) increasing patron knowledge and
21 understanding of how games of chance work; (2) providing
22 on-site information and referral services to customers or other
23 persons seeking information on responsible gambling
24 strategies, problem gambling programs, and voluntary
25 self-exclusion; (3) informing patrons of the risks of problem

1 gambling and their limitations and teaching them how to play
2 within their means; (4) improving the effectiveness and
3 efficiency of assistance to individuals experiencing problems
4 with gambling; and (5) improving gambling delivery by
5 increasing the promotion and delivery of responsible gambling
6 practices.

7 (b) RPICs must be staffed at a minimum for 15 hours per
8 day, as determined by the Board on a facility-by-facility
9 basis, and must contain a self-service, computer-based
10 gambling tutorial, continuously looped informational videos,
11 and brochures for use when staff is unavailable. RPICs must be
12 designed as a dedicated space that is easily accessible from
13 the gaming floor, brilliantly lighted, comfortably furnished,
14 and patron friendly.

15 (c) Staff at RPICs must be trained in prevention education
16 and counseling and must be fully integrated within the gaming
17 environment, working closely with gaming staff and managers to
18 educate players and assist with staff training. The RPIC staff
19 responsibilities shall include all of the following:

20 (1) To provide customer service-based player
21 information about the principles of gambling, including
22 randomness, house advantage, odds, and payouts.

23 (2) To provide information, support, and referrals, as
24 appropriate, to patrons who may be experiencing problems.

25 (3) To provide assistance with the voluntary
26 self-exclusion program.

1 (4) To consult with gaming staff, as appropriate, to
2 resolve situations where patrons may be in distress.

3 (5) To demonstrate a gaming-neutral approach to
4 issues.

5 (6) To keep log sheets on-site to record customer
6 interactions and information provided.

7 (d) All materials viewed in or distributed by a RPIC must
8 be approved by the Board.

9 (230 ILCS 10/14) (from Ch. 120, par. 2414)

10 Sec. 14. Licensees - Records - Reports - Supervision.

11 (a) Gaming licensees ~~A Licensed owner~~ shall keep their ~~his~~
12 books and records so as to clearly show the following:

13 (1) The amount received daily from admission fees.

14 (2) The total amount of gross receipts.

15 (3) The total amount of the adjusted gross receipts.

16 (b) The gaming licensee ~~Licensed owner~~ shall furnish to the
17 Board reports and information as the Board may require with
18 respect to its activities on forms designed and supplied for
19 such purpose by the Board.

20 (c) The books and records kept by a gaming licensee
21 ~~licensed owner~~ as provided by this Section are public records
22 and the examination, publication, and dissemination of the
23 books and records are governed by the provisions of the ~~The~~
24 Freedom of Information Act.

25 (Source: P.A. 86-1029.)

1 (230 ILCS 10/14.5 new)

2 Sec. 14.5. Collection of delinquent amounts. At any time
3 within 5 years after any amount of fees, interest, penalties,
4 or tax required to be collected pursuant to the provisions of
5 this Act shall become due and payable, the Office of Gaming
6 Enforcement may bring a civil action in the courts of this
7 State or any other state or of the United States, in the name
8 of the State of Illinois, to collect the amount delinquent,
9 together with penalties and interest. An action may be brought
10 whether or not the person owing the amount is at such time an
11 applicant or licensee under this Act. In all actions in this
12 State, the records of the Board and the Office shall be prima
13 facie evidence of the determination of the fee or tax or the
14 amount of the delinquency.

15 (230 ILCS 10/17) (from Ch. 120, par. 2417)

16 Sec. 17. Administrative Procedures. The Illinois
17 Administrative Procedure Act shall apply to all administrative
18 rules and procedures of the Board and the Office of Gaming
19 Enforcement under this Act, except that: (1) subsection (b) of
20 Section 5-10 of the Illinois Administrative Procedure Act does
21 not apply to final orders, decisions and opinions of the Board;
22 (2) subsection (a) of Section 5-10 of the Illinois
23 Administrative Procedure Act does not apply to forms
24 established by the Board for use under this Act; (3) the

1 provisions of Section 10-45 of the Illinois Administrative
2 Procedure Act regarding proposals for decision are excluded
3 under this Act; and (4) the provisions of subsection (d) of
4 Section 10-65 of the Illinois Administrative Procedure Act do
5 not apply so as to prevent summary suspension of any license
6 pending revocation or other action, which suspension shall
7 remain in effect unless modified by the Board or unless the
8 Board's decision is reversed on the merits upon judicial
9 review.

10 (Source: P.A. 88-45; 89-626, eff. 8-9-96.)

11 (230 ILCS 10/17.2 new)

12 Sec. 17.2. Administrative proceedings; burden of proof. In
13 proceedings before the Board, the burden of proof is at all
14 times on the petitioner. The petitioner shall have the
15 affirmative responsibility of establishing by clear and
16 convincing evidence that the petitioner is suitable for
17 licensing or a transfer of ownership.

18 (230 ILCS 10/18) (from Ch. 120, par. 2418)

19 Sec. 18. Prohibited Activities - Penalty.

20 (a) A person is guilty of a Class A misdemeanor for doing
21 any of the following:

22 (1) Conducting gambling where wagering is used or to be
23 used without a license issued by the Board.

24 (2) Conducting gambling where wagering is permitted

1 other than in the manner specified by Section 11.

2 (b) A person is guilty of a Class B misdemeanor for doing
3 any of the following:

4 (1) permitting a person under 21 years to make a wager;

5 or

6 (2) violating paragraph (12) of subsection (a) of
7 Section 11 of this Act.

8 (c) A person wagering or accepting a wager at any location
9 outside the licensed facility in violation of paragraph
10 ~~riverboat is subject to the penalties in paragraphs~~ (1) or (2)
11 of subsection (a) of Section 28-1 of the Criminal Code of 1961
12 is subject to the penalties provided in that Section.

13 (d) A person commits a Class 4 felony and, in addition,
14 shall be barred for life from gambling operations ~~riverboats~~
15 under the jurisdiction of the Board, if the person does any of
16 the following:

17 (1) Offers, promises, or gives anything of value or
18 benefit to a person who is connected with a gaming licensee
19 ~~riverboat owner~~ including, but not limited to, an officer
20 or employee of a gaming licensee ~~licensed owner~~ or holder
21 of an occupational license pursuant to an agreement or
22 arrangement or with the intent that the promise or thing of
23 value or benefit will influence the actions of the person
24 to whom the offer, promise, or gift was made in order to
25 affect or attempt to affect the outcome of a gambling game,
26 or to influence official action of a member of the Board.

1 (2) Solicits or knowingly accepts or receives a promise
2 of anything of value or benefit while the person is
3 connected with a gaming licensee ~~riverboat~~ including, but
4 not limited to, an officer or employee of a gaming licensee
5 ~~licensed owner~~, or the holder of an occupational license,
6 pursuant to an understanding or arrangement or with the
7 intent that the promise or thing of value or benefit will
8 influence the actions of the person to affect or attempt to
9 affect the outcome of a gambling game or electronic poker,
10 or to influence official action of a member of the Board.

11 (3) Uses or possesses with the intent to use a device
12 to assist:

13 (i) In projecting the outcome of the game.

14 (ii) In keeping track of the cards played.

15 (iii) In analyzing the probability of the
16 occurrence of an event relating to the gambling game or
17 electronic poker.

18 (iv) In analyzing the strategy for playing or
19 betting to be used in the game except as permitted by
20 the Board.

21 (4) Cheats at a gambling game or electronic poker.

22 (5) Manufactures, sells, or distributes any cards,
23 chips, dice, game or device which is intended to be used to
24 violate any provision of this Act.

25 (6) Alters or misrepresents the outcome of a gambling
26 game or electronic poker on which wagers have been made

1 after the outcome is made sure but before it is revealed to
2 the players.

3 (7) Places a bet after acquiring knowledge, not
4 available to all players, of the outcome of the gambling
5 game or electronic poker which is subject of the bet or to
6 aid a person in acquiring the knowledge for the purpose of
7 placing a bet contingent on that outcome.

8 (8) Claims, collects, or takes, or attempts to claim,
9 collect, or take, money or anything of value in or from the
10 gambling games or electronic poker, with intent to defraud,
11 without having made a wager contingent on winning a
12 gambling game or electronic poker, or claims, collects, or
13 takes an amount of money or thing of value of greater value
14 than the amount won.

15 (9) Uses counterfeit chips or tokens in a gambling game
16 or electronic poker.

17 (10) Possesses any key or device designed for the
18 purpose of opening, entering, or affecting the operation of
19 a gambling game or electronic poker, drop box, or an
20 electronic or mechanical device connected with the
21 gambling game or for removing coins, tokens, chips or other
22 contents of a gambling game or electronic poker. This
23 paragraph (10) does not apply to a gambling licensee or
24 employee of a gambling licensee acting in furtherance of
25 the employee's employment.

26 (e) The possession of more than one of the devices

1 described in subsection (d), paragraphs (3), (5) or (10)
2 permits a rebuttable presumption that the possessor intended to
3 use the devices for cheating.

4 An action to prosecute any crime occurring on a riverboat
5 shall be tried in the county of the dock at which the riverboat
6 is based. An action to prosecute any crime occurring in a
7 casino or electronic gaming facility shall be tried in the
8 county in which the casino or electronic gaming facility is
9 located.

10 (Source: P.A. 91-40, eff. 6-25-99.)

11 (230 ILCS 10/19) (from Ch. 120, par. 2419)

12 Sec. 19. Forfeiture of property.

13 (a) Except as provided in subsection (b), any licensed
14 facility ~~riverboat~~ used for the conduct of gambling ~~games~~ in
15 violation of this Act shall be considered a gambling place in
16 violation of Section 28-3 of the Criminal Code of 1961, as now
17 or hereafter amended. Every gambling device found at a licensed
18 facility ~~on a riverboat~~ operating gambling ~~games~~ in violation
19 of this Act shall be subject to seizure, confiscation and
20 destruction as provided in Section 28-5 of the Criminal Code of
21 1961, as now or hereafter amended.

22 (b) It is not a violation of this Act for a riverboat or
23 other watercraft which is licensed for gaming by a contiguous
24 state to dock on the shores of this State if the municipality
25 having jurisdiction of the shores, or the county in the case of

1 unincorporated areas, has granted permission for docking and no
2 gaming is conducted on the riverboat or other watercraft while
3 it is docked on the shores of this State. No gambling device
4 shall be subject to seizure, confiscation or destruction if the
5 gambling device is located on a riverboat or other watercraft
6 which is licensed for gaming by a contiguous state and which is
7 docked on the shores of this State if the municipality having
8 jurisdiction of the shores, or the county in the case of
9 unincorporated areas, has granted permission for docking and no
10 gaming is conducted on the riverboat or other watercraft while
11 it is docked on the shores of this State.

12 (Source: P.A. 86-1029.)

13 (230 ILCS 10/20) (from Ch. 120, par. 2420)

14 Sec. 20. Prohibited activities - civil penalties. Any
15 person who conducts a gambling operation without first
16 obtaining a license to do so, or who continues to conduct such
17 games after revocation of his license, or any licensee who
18 conducts or allows to be conducted any unauthorized gambling at
19 a licensed facility ~~games on a riverboat~~ where it is authorized
20 to conduct its ~~riverboat~~ gambling operation, in addition to
21 other penalties provided, shall be subject to a civil penalty
22 equal to the amount of gross receipts derived from wagering on
23 the gambling activity ~~games~~, whether unauthorized or
24 authorized, conducted on that day as well as confiscation and
25 forfeiture of all gambling ~~game~~ equipment used in the conduct

1 of unauthorized gambling ~~games~~.

2 (Source: P.A. 86-1029.)

3 (230 ILCS 10/22.5 new)

4 Sec. 22.5. Illinois Works Fund.

5 (a) There is created the Illinois Works Fund, a special
6 fund in the State Treasury. The Board shall deposit the
7 following into the Illinois Works Fund:

8 (1) The initial fee and reconciliation payment from the
9 positions under subsections (h-2) and (h-5) of Section 7.

10 (2) The initial fee and reconciliation payment from
11 electronic gaming positions.

12 (3) Amounts received pursuant to competitive bidding
13 for the additional riverboat authorized under this
14 amendatory Act of the 95th General Assembly under
15 subsection (e) of Section 7 and for the casino license
16 authorized under Section 7.11a.

17 (4) The casino license fee.

18 (5) Amounts received pursuant to subsection (e) of
19 Section 1-45 of the Chicago Casino Development Authority
20 Act.

21 (6) Amounts received pursuant to subsection (e) of
22 Section 5-45 of the Illinois Casino Development Authority
23 Act.

24 (b) Moneys in the Illinois Works Fund shall, subject to
25 appropriation, be used for the making of grants and

1 expenditures for the Illinois Works Capital Program.

2 (c) Thirty percent of the moneys deposited into the
3 Illinois Works Fund shall be transferred into the Focusing on
4 Children, Uplifting Schools (FOCUS) Fund.

5 (c-5) Any changes in the purposes or use of this Fund, or
6 changes in revenues directed to this Fund, must be approved by
7 three-fifths vote of both the Senate and House of
8 Representatives.

9 (d) Designees of the President and the Minority Leader of
10 the Senate, the Speaker and Minority Leader of the House, and
11 the Director of the Governor's Office of Management and Budget
12 shall meet periodically and frequently at the request of any
13 one party named to review the status of each capital project
14 appropriated under the Illinois Works program.

15 (e) On the last day of each quarterly period in each fiscal
16 year, the Governor's Office of Management and Budget shall
17 provide to the President and the Minority Leader of the Senate
18 and the Speaker and the Minority Leader of the House of
19 Representatives a report on the status of new capital projects
20 first appropriated under the Illinois Works program. The report
21 must be provided in electronic format and may be provided in
22 written format upon request. The report must include all of the
23 following:

24 (1) Projected revenues for the fiscal year and actual
25 revenues year-to-date into the Illinois Works Fund that
26 will support pay-as-you-go or debt service on Illinois

1 Works capital projects.

2 (2) For each Illinois Works capital project
3 appropriated in that fiscal year:

4 (A) a brief description or stated purpose;

5 (B) the estimated total State expenditures, the
6 amount spent year-to-date, and the proposed schedule
7 of expenditures;

8 (C) a projected timeline for completion of each
9 state-managed project (excluding grants) and any
10 delays that could lead to substantial variances from
11 this timeline must be explained;

12 (D) indication of whether the project is supported
13 from pay-as-you-go sources or is bond supported;

14 (E) if a project is supported by bond revenue, the
15 bond authorization category; and

16 (F) the date the written release of the Governor
17 was submitted to the Comptroller or is anticipated to
18 be submitted; if a release for any project has not been
19 submitted to the Comptroller within 6 months of the
20 appropriation becoming law, an explanation of why the
21 project has not yet been released, including whether
22 bond authorization or projected revenues were
23 insufficient to support the release of the project.

24 (f) The Governor shall make good faith efforts to release
25 each appropriated Illinois Works project as quickly as is
26 practicable, based on availability of revenues and sufficient

1 bond authorization for the length and scope of the project.

2 (g) Any interest generated by the Illinois Works Fund shall
3 be reserved in a special account in the Illinois Works Fund and
4 be transferred monthly into the Illinois Education Trust Fund.

5 (230 ILCS 10/22.6 new)

6 Sec. 22.6. Illinois Works Debt Service Fund.

7 (a) There is created the Illinois Works Debt Service Fund,
8 a special fund in the State Treasury. The Board shall deposit
9 all amounts received from Sections (d) and (e) of Section 13
10 into the Illinois Works Debt Service Fund. Thirty percent of
11 the moneys received from subsections (d) and (e) of Section 13
12 shall be transferred into the Focusing on Children Uplifting
13 Schools (FOCUS) Fund. Any changes in the purposes or use of
14 this Fund, or changes in revenues directed to this Fund, must
15 be approved by three-fifths vote of both the Senate and House
16 of Representatives.

17 (b) Subject to the transfer provisions set forth in this
18 subsection (b), money in the Illinois Works Debt Service Fund
19 shall, if and when the State of Illinois incurs any bonded
20 indebtedness under the Illinois Works capital program, as
21 certified by the Director of the Governor's Office of
22 Management and Budget to the State Comptroller and State
23 Treasurer, be set aside and used for the purpose of paying and
24 discharging annually the principal and interest on that bonded
25 indebtedness then due and payable. In addition to other

1 transfers to the General Obligation Bond Retirement and
2 Interest Fund made pursuant to Section 15 of the General
3 Obligation Bond Act, upon each delivery of bonds issued for the
4 Illinois Works capital program, as certified by the Director of
5 the Governor's Office of Management and Budget, the State
6 Comptroller shall compute and certify to the State Treasurer
7 the total amount of principal of, interest on, and premium, if
8 any, on such bonds during the then current and each succeeding
9 fiscal year. With respect to the interest payable on variable
10 rate bonds, such certification shall be calculated at the
11 maximum rate of interest that may be payable during the fiscal
12 year, after taking into account any credits permitted in the
13 related indenture or other instrument against the amount of
14 such interest required to be appropriated for that period. On
15 or before the last day of each month, the State Treasurer and
16 State Comptroller shall transfer from the Illinois Works Debt
17 Service Fund into the General Obligation Bond Retirement and
18 Interest Fund an amount sufficient to pay the aggregate of the
19 principal of, interest on, and premium, if any, on the bonds
20 payable on their next payment date, divided by the number of
21 monthly transfer occurring between the last previous payment
22 date (or the delivery date if no payment date has yet occurred)
23 and the next succeeding payment date. Interest payable on
24 variable rate bonds shall be calculated at the maximum rate of
25 interest that may be payable for the relevant period, after
26 taking into account any credits permitted in the related

1 indenture or other instrument against the amount of such
2 interest required to be appropriated for that period.

3 (c) On July 1, 2009 and each July 1 thereafter, or as soon
4 thereafter as practical, the Director of the Governor's Office
5 of Management and Budget shall certify to the State Comptroller
6 and the State Treasurer the amount, if any, of the \$100,000,000
7 paid into the Fund during the prior State fiscal year under the
8 Retailers' Occupation Tax Act from tax on the sale of motor
9 fuel, as estimated by the Department of Revenue, that exceeded
10 the amount needed during that State fiscal year to meet debt
11 service requirements on the outstanding bonds and notes issued
12 in association with the Illinois Works Capital Program.
13 Immediately upon receipt of the certification, the Comptroller
14 shall order transferred and the Treasurer shall transfer the
15 amount certified from the Illinois Works Debt Service Fund to
16 the General Revenue Fund.

17 (230 ILCS 10/7.1 rep.)

18 Section 90-45. The Riverboat Gambling Act is amended by
19 repealing Section 7.1.

20 Section 90-50. The Liquor Control Act of 1934 is amended by
21 changing Sections 5-1 and 6-30 as follows:

22 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

23 (Text of Section before amendment by P.A. 95-634)

1 Sec. 5-1. Licenses issued by the Illinois Liquor Control
2 Commission shall be of the following classes:

3 (a) Manufacturer's license - Class 1. Distiller, Class 2.
4 Rectifier, Class 3. Brewer, Class 4. First Class Wine
5 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
6 First Class Winemaker, Class 7. Second Class Winemaker, Class
7 8. Limited Wine Manufacturer,

8 (b) Distributor's license,

9 (c) Importing Distributor's license,

10 (d) Retailer's license,

11 (e) Special Event Retailer's license (not-for-profit),

12 (f) Railroad license,

13 (g) Boat license,

14 (h) Non-Beverage User's license,

15 (i) Wine-maker's premises license,

16 (j) Airplane license,

17 (k) Foreign importer's license,

18 (l) Broker's license,

19 (m) Non-resident dealer's license,

20 (n) Brew Pub license,

21 (o) Auction liquor license,

22 (p) Caterer retailer license,

23 (q) Special use permit license.

24 No person, firm, partnership, corporation, or other legal
25 business entity that is engaged in the manufacturing of wine
26 may concurrently obtain and hold a wine-maker's license and a

1 wine manufacturer's license.

2 (a) A manufacturer's license shall allow the manufacture,
3 importation in bulk, storage, distribution and sale of
4 alcoholic liquor to persons without the State, as may be
5 permitted by law and to licensees in this State as follows:

6 Class 1. A Distiller may make sales and deliveries of
7 alcoholic liquor to distillers, rectifiers, importing
8 distributors, distributors and non-beverage users and to no
9 other licensees.

10 Class 2. A Rectifier, who is not a distiller, as defined
11 herein, may make sales and deliveries of alcoholic liquor to
12 rectifiers, importing distributors, distributors, retailers
13 and non-beverage users and to no other licensees.

14 Class 3. A Brewer may make sales and deliveries of beer to
15 importing distributors, distributors, and to non-licensees,
16 and to retailers provided the brewer obtains an importing
17 distributor's license or distributor's license in accordance
18 with the provisions of this Act.

19 Class 4. A first class wine-manufacturer may make sales and
20 deliveries of up to 50,000 gallons of wine to manufacturers,
21 importing distributors and distributors, and to no other
22 licensees.

23 Class 5. A second class Wine manufacturer may make sales
24 and deliveries of more than 50,000 gallons of wine to
25 manufacturers, importing distributors and distributors and to
26 no other licensees.

1 Class 6. A first-class wine-maker's license shall allow the
2 manufacture of up to 50,000 gallons of wine per year, and the
3 storage and sale of such wine to distributors in the State and
4 to persons without the State, as may be permitted by law. A
5 first-class wine-maker's license shall allow the sale of no
6 more than 5,000 gallons of the licensee's wine to retailers.
7 The State Commission shall issue only one first-class
8 wine-maker's license to any person, firm, partnership,
9 corporation, or other legal business entity that is engaged in
10 the making of less than 50,000 gallons of wine annually that
11 applies for a first-class wine-maker's license. No subsidiary
12 or affiliate thereof, nor any officer, associate, member,
13 partner, representative, employee, agent, or shareholder may
14 be issued an additional wine-maker's license by the State
15 Commission.

16 Class 7. A second-class wine-maker's license shall allow
17 the manufacture of between 50,000 and 100,000 gallons of wine
18 per year, and the storage and sale of such wine to distributors
19 in this State and to persons without the State, as may be
20 permitted by law. A second-class wine-maker's license shall
21 allow the sale of no more than 10,000 gallons of the licensee's
22 wine directly to retailers. The State Commission shall issue
23 only one second-class wine-maker's license to any person, firm,
24 partnership, corporation, or other legal business entity that
25 is engaged in the making of less than 100,000 gallons of wine
26 annually that applies for a second-class wine-maker's license.

1 No subsidiary or affiliate thereof, or any officer, associate,
2 member, partner, representative, employee, agent, or
3 shareholder may be issued an additional wine-maker's license by
4 the State Commission.

5 Class 8. A limited wine-manufacturer may make sales and
6 deliveries not to exceed 40,000 gallons of wine per year to
7 distributors, and to non-licensees in accordance with the
8 provisions of this Act.

9 (a-1) A manufacturer which is licensed in this State to
10 make sales or deliveries of alcoholic liquor and which enlists
11 agents, representatives, or individuals acting on its behalf
12 who contact licensed retailers on a regular and continual basis
13 in this State must register those agents, representatives, or
14 persons acting on its behalf with the State Commission.

15 Registration of agents, representatives, or persons acting
16 on behalf of a manufacturer is fulfilled by submitting a form
17 to the Commission. The form shall be developed by the
18 Commission and shall include the name and address of the
19 applicant, the name and address of the manufacturer he or she
20 represents, the territory or areas assigned to sell to or
21 discuss pricing terms of alcoholic liquor, and any other
22 questions deemed appropriate and necessary. All statements in
23 the forms required to be made by law or by rule shall be deemed
24 material, and any person who knowingly misstates any material
25 fact under oath in an application is guilty of a Class B
26 misdemeanor. Fraud, misrepresentation, false statements,

1 misleading statements, evasions, or suppression of material
2 facts in the securing of a registration are grounds for
3 suspension or revocation of the registration.

4 (b) A distributor's license shall allow the wholesale
5 purchase and storage of alcoholic liquors and sale of alcoholic
6 liquors to licensees in this State and to persons without the
7 State, as may be permitted by law.

8 (c) An importing distributor's license may be issued to and
9 held by those only who are duly licensed distributors, upon the
10 filing of an application by a duly licensed distributor, with
11 the Commission and the Commission shall, without the payment of
12 any fee, immediately issue such importing distributor's
13 license to the applicant, which shall allow the importation of
14 alcoholic liquor by the licensee into this State from any point
15 in the United States outside this State, and the purchase of
16 alcoholic liquor in barrels, casks or other bulk containers and
17 the bottling of such alcoholic liquors before resale thereof,
18 but all bottles or containers so filled shall be sealed,
19 labeled, stamped and otherwise made to comply with all
20 provisions, rules and regulations governing manufacturers in
21 the preparation and bottling of alcoholic liquors. The
22 importing distributor's license shall permit such licensee to
23 purchase alcoholic liquor from Illinois licensed non-resident
24 dealers and foreign importers only.

25 (d) A retailer's license shall allow the licensee to sell
26 and offer for sale at retail, only in the premises specified in

1 the license, alcoholic liquor for use or consumption, but not
2 for resale in any form: Provided that any retail license issued
3 to a manufacturer shall only permit the manufacturer to sell
4 beer at retail on the premises actually occupied by the
5 manufacturer. For the purpose of further describing the type of
6 business conducted at a retail licensed premises, a retailer's
7 licensee may be designated by the State Commission as (i) an on
8 premise consumption retailer, (ii) an off premise sale
9 retailer, or (iii) a combined on premise consumption and off
10 premise sale retailer.

11 Notwithstanding any other provision of this subsection
12 (d), a retail licensee may sell alcoholic liquors to a special
13 event retailer licensee for resale to the extent permitted
14 under subsection (e).

15 (e) A special event retailer's license (not-for-profit)
16 shall permit the licensee to purchase alcoholic liquors from an
17 Illinois licensed distributor (unless the licensee purchases
18 less than \$500 of alcoholic liquors for the special event, in
19 which case the licensee may purchase the alcoholic liquors from
20 a licensed retailer) and shall allow the licensee to sell and
21 offer for sale, at retail, alcoholic liquors for use or
22 consumption, but not for resale in any form and only at the
23 location and on the specific dates designated for the special
24 event in the license. An applicant for a special event retailer
25 license must (i) furnish with the application: (A) a resale
26 number issued under Section 2c of the Retailers' Occupation Tax

1 Act or evidence that the applicant is registered under Section
2 2a of the Retailers' Occupation Tax Act, (B) a current, valid
3 exemption identification number issued under Section 1g of the
4 Retailers' Occupation Tax Act, and a certification to the
5 Commission that the purchase of alcoholic liquors will be a
6 tax-exempt purchase, or (C) a statement that the applicant is
7 not registered under Section 2a of the Retailers' Occupation
8 Tax Act, does not hold a resale number under Section 2c of the
9 Retailers' Occupation Tax Act, and does not hold an exemption
10 number under Section 1g of the Retailers' Occupation Tax Act,
11 in which event the Commission shall set forth on the special
12 event retailer's license a statement to that effect; (ii)
13 submit with the application proof satisfactory to the State
14 Commission that the applicant will provide dram shop liability
15 insurance in the maximum limits; and (iii) show proof
16 satisfactory to the State Commission that the applicant has
17 obtained local authority approval.

18 (f) A railroad license shall permit the licensee to import
19 alcoholic liquors into this State from any point in the United
20 States outside this State and to store such alcoholic liquors
21 in this State; to make wholesale purchases of alcoholic liquors
22 directly from manufacturers, foreign importers, distributors
23 and importing distributors from within or outside this State;
24 and to store such alcoholic liquors in this State; provided
25 that the above powers may be exercised only in connection with
26 the importation, purchase or storage of alcoholic liquors to be

1 sold or dispensed on a club, buffet, lounge or dining car
2 operated on an electric, gas or steam railway in this State;
3 and provided further, that railroad licensees exercising the
4 above powers shall be subject to all provisions of Article VIII
5 of this Act as applied to importing distributors. A railroad
6 license shall also permit the licensee to sell or dispense
7 alcoholic liquors on any club, buffet, lounge or dining car
8 operated on an electric, gas or steam railway regularly
9 operated by a common carrier in this State, but shall not
10 permit the sale for resale of any alcoholic liquors to any
11 licensee within this State. A license shall be obtained for
12 each car in which such sales are made.

13 (g) A boat license shall allow the sale of alcoholic liquor
14 in individual drinks, on any passenger boat regularly operated
15 as a common carrier on navigable waters in this State or on any
16 riverboat operated under the Illinois Riverboat Gambling Act,
17 which boat or riverboat maintains a public dining room or
18 restaurant thereon.

19 A casino license shall allow the sale of alcoholic liquor
20 in individual drinks at any casino gambling facility operated
21 under the Illinois Gambling Act that maintains a public dining
22 room or restaurant at that facility.

23 (h) A non-beverage user's license shall allow the licensee
24 to purchase alcoholic liquor from a licensed manufacturer or
25 importing distributor, without the imposition of any tax upon
26 the business of such licensed manufacturer or importing

1 distributor as to such alcoholic liquor to be used by such
 2 licensee solely for the non-beverage purposes set forth in
 3 subsection (a) of Section 8-1 of this Act, and such licenses
 4 shall be divided and classified and shall permit the purchase,
 5 possession and use of limited and stated quantities of
 6 alcoholic liquor as follows:

- 7 Class 1, not to exceed 500 gallons
- 8 Class 2, not to exceed 1,000 gallons
- 9 Class 3, not to exceed 5,000 gallons
- 10 Class 4, not to exceed 10,000 gallons
- 11 Class 5, not to exceed 50,000 gallons

12 (i) A wine-maker's premises license shall allow a licensee
 13 that concurrently holds a first-class wine-maker's license to
 14 sell and offer for sale at retail in the premises specified in
 15 such license not more than 50,000 gallons of the first-class
 16 wine-maker's wine that is made at the first-class wine-maker's
 17 licensed premises per year for use or consumption, but not for
 18 resale in any form. A wine-maker's premises license shall allow
 19 a licensee who concurrently holds a second-class wine-maker's
 20 license to sell and offer for sale at retail in the premises
 21 specified in such license up to 100,000 gallons of the
 22 second-class wine-maker's wine that is made at the second-class
 23 wine-maker's licensed premises per year for use or consumption
 24 but not for resale in any form. A wine-maker's premises license
 25 shall allow a licensee that concurrently holds a first-class
 26 wine-maker's license or a second-class wine-maker's license to

1 sell and offer for sale at retail at the premises specified in
2 the wine-maker's premises license, for use or consumption but
3 not for resale in any form, any beer, wine, and spirits
4 purchased from a licensed distributor. Upon approval from the
5 State Commission, a wine-maker's premises license shall allow
6 the licensee to sell and offer for sale at (i) the wine-maker's
7 licensed premises and (ii) at up to 2 additional locations for
8 use and consumption and not for resale. Each location shall
9 require additional licensing per location as specified in
10 Section 5-3 of this Act.

11 (j) An airplane license shall permit the licensee to import
12 alcoholic liquors into this State from any point in the United
13 States outside this State and to store such alcoholic liquors
14 in this State; to make wholesale purchases of alcoholic liquors
15 directly from manufacturers, foreign importers, distributors
16 and importing distributors from within or outside this State;
17 and to store such alcoholic liquors in this State; provided
18 that the above powers may be exercised only in connection with
19 the importation, purchase or storage of alcoholic liquors to be
20 sold or dispensed on an airplane; and provided further, that
21 airplane licensees exercising the above powers shall be subject
22 to all provisions of Article VIII of this Act as applied to
23 importing distributors. An airplane licensee shall also permit
24 the sale or dispensing of alcoholic liquors on any passenger
25 airplane regularly operated by a common carrier in this State,
26 but shall not permit the sale for resale of any alcoholic

1 liquors to any licensee within this State. A single airplane
2 license shall be required of an airline company if liquor
3 service is provided on board aircraft in this State. The annual
4 fee for such license shall be as determined in Section 5-3.

5 (k) A foreign importer's license shall permit such licensee
6 to purchase alcoholic liquor from Illinois licensed
7 non-resident dealers only, and to import alcoholic liquor other
8 than in bulk from any point outside the United States and to
9 sell such alcoholic liquor to Illinois licensed importing
10 distributors and to no one else in Illinois; provided that the
11 foreign importer registers with the State Commission every
12 brand of alcoholic liquor that it proposes to sell to Illinois
13 licensees during the license period and provided further that
14 the foreign importer complies with all of the provisions of
15 Section 6-9 of this Act with respect to registration of such
16 Illinois licensees as may be granted the right to sell such
17 brands at wholesale.

18 (l) (i) A broker's license shall be required of all persons
19 who solicit orders for, offer to sell or offer to supply
20 alcoholic liquor to retailers in the State of Illinois, or who
21 offer to retailers to ship or cause to be shipped or to make
22 contact with distillers, rectifiers, brewers or manufacturers
23 or any other party within or without the State of Illinois in
24 order that alcoholic liquors be shipped to a distributor,
25 importing distributor or foreign importer, whether such
26 solicitation or offer is consummated within or without the

1 State of Illinois.

2 No holder of a retailer's license issued by the Illinois
3 Liquor Control Commission shall purchase or receive any
4 alcoholic liquor, the order for which was solicited or offered
5 for sale to such retailer by a broker unless the broker is the
6 holder of a valid broker's license.

7 The broker shall, upon the acceptance by a retailer of the
8 broker's solicitation of an order or offer to sell or supply or
9 deliver or have delivered alcoholic liquors, promptly forward
10 to the Illinois Liquor Control Commission a notification of
11 said transaction in such form as the Commission may by
12 regulations prescribe.

13 (ii) A broker's license shall be required of a person
14 within this State, other than a retail licensee, who, for a fee
15 or commission, promotes, solicits, or accepts orders for
16 alcoholic liquor, for use or consumption and not for resale, to
17 be shipped from this State and delivered to residents outside
18 of this State by an express company, common carrier, or
19 contract carrier. This Section does not apply to any person who
20 promotes, solicits, or accepts orders for wine as specifically
21 authorized in Section 6-29 of this Act.

22 A broker's license under this subsection (1) shall not
23 entitle the holder to buy or sell any alcoholic liquors for his
24 own account or to take or deliver title to such alcoholic
25 liquors.

26 This subsection (1) shall not apply to distributors,

1 employees of distributors, or employees of a manufacturer who
2 has registered the trademark, brand or name of the alcoholic
3 liquor pursuant to Section 6-9 of this Act, and who regularly
4 sells such alcoholic liquor in the State of Illinois only to
5 its registrants thereunder.

6 Any agent, representative, or person subject to
7 registration pursuant to subsection (a-1) of this Section shall
8 not be eligible to receive a broker's license.

9 (m) A non-resident dealer's license shall permit such
10 licensee to ship into and warehouse alcoholic liquor into this
11 State from any point outside of this State, and to sell such
12 alcoholic liquor to Illinois licensed foreign importers and
13 importing distributors and to no one else in this State;
14 provided that said non-resident dealer shall register with the
15 Illinois Liquor Control Commission each and every brand of
16 alcoholic liquor which it proposes to sell to Illinois
17 licensees during the license period; and further provided that
18 it shall comply with all of the provisions of Section 6-9
19 hereof with respect to registration of such Illinois licensees
20 as may be granted the right to sell such brands at wholesale.

21 (n) A brew pub license shall allow the licensee to
22 manufacture beer only on the premises specified in the license,
23 to make sales of the beer manufactured on the premises to
24 importing distributors, distributors, and to non-licensees for
25 use and consumption, to store the beer upon the premises, and
26 to sell and offer for sale at retail from the licensed

1 premises, provided that a brew pub licensee shall not sell for
2 off-premises consumption more than 50,000 gallons per year.

3 (o) A caterer retailer license shall allow the holder to
4 serve alcoholic liquors as an incidental part of a food service
5 that serves prepared meals which excludes the serving of snacks
6 as the primary meal, either on or off-site whether licensed or
7 unlicensed.

8 (p) An auction liquor license shall allow the licensee to
9 sell and offer for sale at auction wine and spirits for use or
10 consumption, or for resale by an Illinois liquor licensee in
11 accordance with provisions of this Act. An auction liquor
12 license will be issued to a person and it will permit the
13 auction liquor licensee to hold the auction anywhere in the
14 State. An auction liquor license must be obtained for each
15 auction at least 14 days in advance of the auction date.

16 (q) A special use permit license shall allow an Illinois
17 licensed retailer to transfer a portion of its alcoholic liquor
18 inventory from its retail licensed premises to the premises
19 specified in the license hereby created, and to sell or offer
20 for sale at retail, only in the premises specified in the
21 license hereby created, the transferred alcoholic liquor for
22 use or consumption, but not for resale in any form. A special
23 use permit license may be granted for the following time
24 periods: one day or less; 2 or more days to a maximum of 15 days
25 per location in any 12 month period. An applicant for the
26 special use permit license must also submit with the

1 application proof satisfactory to the State Commission that the
2 applicant will provide dram shop liability insurance to the
3 maximum limits and have local authority approval.

4 (Source: P.A. 95-331, eff. 8-21-07.)

5 (Text of Section after amendment by P.A. 95-634)

6 Sec. 5-1. Licenses issued by the Illinois Liquor Control
7 Commission shall be of the following classes:

8 (a) Manufacturer's license - Class 1. Distiller, Class 2.
9 Rectifier, Class 3. Brewer, Class 4. First Class Wine
10 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
11 First Class Winemaker, Class 7. Second Class Winemaker, Class
12 8. Limited Wine Manufacturer,

13 (b) Distributor's license,

14 (c) Importing Distributor's license,

15 (d) Retailer's license,

16 (e) Special Event Retailer's license (not-for-profit),

17 (f) Railroad license,

18 (g) Boat license,

19 (h) Non-Beverage User's license,

20 (i) Wine-maker's premises license,

21 (j) Airplane license,

22 (k) Foreign importer's license,

23 (l) Broker's license,

24 (m) Non-resident dealer's license,

25 (n) Brew Pub license,

- 1 (o) Auction liquor license,
2 (p) Caterer retailer license,
3 (q) Special use permit license,
4 (r) Winery shipper's license.

5 No person, firm, partnership, corporation, or other legal
6 business entity that is engaged in the manufacturing of wine
7 may concurrently obtain and hold a wine-maker's license and a
8 wine manufacturer's license.

9 (a) A manufacturer's license shall allow the manufacture,
10 importation in bulk, storage, distribution and sale of
11 alcoholic liquor to persons without the State, as may be
12 permitted by law and to licensees in this State as follows:

13 Class 1. A Distiller may make sales and deliveries of
14 alcoholic liquor to distillers, rectifiers, importing
15 distributors, distributors and non-beverage users and to no
16 other licensees.

17 Class 2. A Rectifier, who is not a distiller, as defined
18 herein, may make sales and deliveries of alcoholic liquor to
19 rectifiers, importing distributors, distributors, retailers
20 and non-beverage users and to no other licensees.

21 Class 3. A Brewer may make sales and deliveries of beer to
22 importing distributors, distributors, and to non-licensees,
23 and to retailers provided the brewer obtains an importing
24 distributor's license or distributor's license in accordance
25 with the provisions of this Act.

26 Class 4. A first class wine-manufacturer may make sales and

1 deliveries of up to 50,000 gallons of wine to manufacturers,
2 importing distributors and distributors, and to no other
3 licensees.

4 Class 5. A second class Wine manufacturer may make sales
5 and deliveries of more than 50,000 gallons of wine to
6 manufacturers, importing distributors and distributors and to
7 no other licensees.

8 Class 6. A first-class wine-maker's license shall allow the
9 manufacture of up to 50,000 gallons of wine per year, and the
10 storage and sale of such wine to distributors in the State and
11 to persons without the State, as may be permitted by law. A
12 person who, prior to the effective date of this amendatory Act
13 of the 95th General Assembly, is a holder of a first-class
14 wine-maker's license and annually produces more than 25,000
15 gallons of its own wine and who distributes its wine to
16 licensed retailers shall cease this practice on or before July
17 1, 2008 in compliance with this amendatory Act of the 95th
18 General Assembly.

19 Class 7. A second-class wine-maker's license shall allow
20 the manufacture of between 50,000 and 150,000 gallons of wine
21 per year, and the storage and sale of such wine to distributors
22 in this State and to persons without the State, as may be
23 permitted by law. A person who, prior to the effective date of
24 this amendatory Act of the 95th General Assembly, is a holder
25 of a second-class wine-maker's license and annually produces
26 more than 25,000 gallons of its own wine and who distributes

1 its wine to licensed retailers shall cease this practice on or
2 before July 1, 2008 in compliance with this amendatory Act of
3 the 95th General Assembly.

4 Class 8. A limited wine-manufacturer may make sales and
5 deliveries not to exceed 40,000 gallons of wine per year to
6 distributors, and to non-licensees in accordance with the
7 provisions of this Act.

8 (a-1) A manufacturer which is licensed in this State to
9 make sales or deliveries of alcoholic liquor and which enlists
10 agents, representatives, or individuals acting on its behalf
11 who contact licensed retailers on a regular and continual basis
12 in this State must register those agents, representatives, or
13 persons acting on its behalf with the State Commission.

14 Registration of agents, representatives, or persons acting
15 on behalf of a manufacturer is fulfilled by submitting a form
16 to the Commission. The form shall be developed by the
17 Commission and shall include the name and address of the
18 applicant, the name and address of the manufacturer he or she
19 represents, the territory or areas assigned to sell to or
20 discuss pricing terms of alcoholic liquor, and any other
21 questions deemed appropriate and necessary. All statements in
22 the forms required to be made by law or by rule shall be deemed
23 material, and any person who knowingly misstates any material
24 fact under oath in an application is guilty of a Class B
25 misdemeanor. Fraud, misrepresentation, false statements,
26 misleading statements, evasions, or suppression of material

1 facts in the securing of a registration are grounds for
2 suspension or revocation of the registration.

3 (b) A distributor's license shall allow the wholesale
4 purchase and storage of alcoholic liquors and sale of alcoholic
5 liquors to licensees in this State and to persons without the
6 State, as may be permitted by law.

7 (c) An importing distributor's license may be issued to and
8 held by those only who are duly licensed distributors, upon the
9 filing of an application by a duly licensed distributor, with
10 the Commission and the Commission shall, without the payment of
11 any fee, immediately issue such importing distributor's
12 license to the applicant, which shall allow the importation of
13 alcoholic liquor by the licensee into this State from any point
14 in the United States outside this State, and the purchase of
15 alcoholic liquor in barrels, casks or other bulk containers and
16 the bottling of such alcoholic liquors before resale thereof,
17 but all bottles or containers so filled shall be sealed,
18 labeled, stamped and otherwise made to comply with all
19 provisions, rules and regulations governing manufacturers in
20 the preparation and bottling of alcoholic liquors. The
21 importing distributor's license shall permit such licensee to
22 purchase alcoholic liquor from Illinois licensed non-resident
23 dealers and foreign importers only.

24 (d) A retailer's license shall allow the licensee to sell
25 and offer for sale at retail, only in the premises specified in
26 the license, alcoholic liquor for use or consumption, but not

1 for resale in any form. Nothing in this amendatory Act of the
2 95th General Assembly shall deny, limit, remove, or restrict
3 the ability of a holder of a retailer's license to transfer,
4 deliver, or ship alcoholic liquor to the purchaser for use or
5 consumption subject to any applicable local law or ordinance.
6 Any retail license issued to a manufacturer shall only permit
7 the manufacturer to sell beer at retail on the premises
8 actually occupied by the manufacturer. For the purpose of
9 further describing the type of business conducted at a retail
10 licensed premises, a retailer's licensee may be designated by
11 the State Commission as (i) an on premise consumption retailer,
12 (ii) an off premise sale retailer, or (iii) a combined on
13 premise consumption and off premise sale retailer.

14 Notwithstanding any other provision of this subsection
15 (d), a retail licensee may sell alcoholic liquors to a special
16 event retailer licensee for resale to the extent permitted
17 under subsection (e).

18 (e) A special event retailer's license (not-for-profit)
19 shall permit the licensee to purchase alcoholic liquors from an
20 Illinois licensed distributor (unless the licensee purchases
21 less than \$500 of alcoholic liquors for the special event, in
22 which case the licensee may purchase the alcoholic liquors from
23 a licensed retailer) and shall allow the licensee to sell and
24 offer for sale, at retail, alcoholic liquors for use or
25 consumption, but not for resale in any form and only at the
26 location and on the specific dates designated for the special

1 event in the license. An applicant for a special event retailer
2 license must (i) furnish with the application: (A) a resale
3 number issued under Section 2c of the Retailers' Occupation Tax
4 Act or evidence that the applicant is registered under Section
5 2a of the Retailers' Occupation Tax Act, (B) a current, valid
6 exemption identification number issued under Section 1g of the
7 Retailers' Occupation Tax Act, and a certification to the
8 Commission that the purchase of alcoholic liquors will be a
9 tax-exempt purchase, or (C) a statement that the applicant is
10 not registered under Section 2a of the Retailers' Occupation
11 Tax Act, does not hold a resale number under Section 2c of the
12 Retailers' Occupation Tax Act, and does not hold an exemption
13 number under Section 1g of the Retailers' Occupation Tax Act,
14 in which event the Commission shall set forth on the special
15 event retailer's license a statement to that effect; (ii)
16 submit with the application proof satisfactory to the State
17 Commission that the applicant will provide dram shop liability
18 insurance in the maximum limits; and (iii) show proof
19 satisfactory to the State Commission that the applicant has
20 obtained local authority approval.

21 (f) A railroad license shall permit the licensee to import
22 alcoholic liquors into this State from any point in the United
23 States outside this State and to store such alcoholic liquors
24 in this State; to make wholesale purchases of alcoholic liquors
25 directly from manufacturers, foreign importers, distributors
26 and importing distributors from within or outside this State;

1 and to store such alcoholic liquors in this State; provided
2 that the above powers may be exercised only in connection with
3 the importation, purchase or storage of alcoholic liquors to be
4 sold or dispensed on a club, buffet, lounge or dining car
5 operated on an electric, gas or steam railway in this State;
6 and provided further, that railroad licensees exercising the
7 above powers shall be subject to all provisions of Article VIII
8 of this Act as applied to importing distributors. A railroad
9 license shall also permit the licensee to sell or dispense
10 alcoholic liquors on any club, buffet, lounge or dining car
11 operated on an electric, gas or steam railway regularly
12 operated by a common carrier in this State, but shall not
13 permit the sale for resale of any alcoholic liquors to any
14 licensee within this State. A license shall be obtained for
15 each car in which such sales are made.

16 (g) A boat license shall allow the sale of alcoholic liquor
17 in individual drinks, on any passenger boat regularly operated
18 as a common carrier on navigable waters in this State or on any
19 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,
20 which boat or riverboat maintains a public dining room or
21 restaurant thereon.

22 A casino license shall allow the sale of alcoholic liquor
23 in individual drinks at any casino gambling facility operated
24 under the Illinois Gambling Act that maintains a public dining
25 room or restaurant at that facility.

26 (h) A non-beverage user's license shall allow the licensee

1 to purchase alcoholic liquor from a licensed manufacturer or
 2 importing distributor, without the imposition of any tax upon
 3 the business of such licensed manufacturer or importing
 4 distributor as to such alcoholic liquor to be used by such
 5 licensee solely for the non-beverage purposes set forth in
 6 subsection (a) of Section 8-1 of this Act, and such licenses
 7 shall be divided and classified and shall permit the purchase,
 8 possession and use of limited and stated quantities of
 9 alcoholic liquor as follows:

- 10 Class 1, not to exceed 500 gallons
- 11 Class 2, not to exceed 1,000 gallons
- 12 Class 3, not to exceed 5,000 gallons
- 13 Class 4, not to exceed 10,000 gallons
- 14 Class 5, not to exceed 50,000 gallons

15 (i) A wine-maker's premises license shall allow a licensee
 16 that concurrently holds a first-class wine-maker's license to
 17 sell and offer for sale at retail in the premises specified in
 18 such license not more than 50,000 gallons of the first-class
 19 wine-maker's wine that is made at the first-class wine-maker's
 20 licensed premises per year for use or consumption, but not for
 21 resale in any form. A wine-maker's premises license shall allow
 22 a licensee who concurrently holds a second-class wine-maker's
 23 license to sell and offer for sale at retail in the premises
 24 specified in such license up to 100,000 gallons of the
 25 second-class wine-maker's wine that is made at the second-class
 26 wine-maker's licensed premises per year for use or consumption

1 but not for resale in any form. A wine-maker's premises license
2 shall allow a licensee that concurrently holds a first-class
3 wine-maker's license or a second-class wine-maker's license to
4 sell and offer for sale at retail at the premises specified in
5 the wine-maker's premises license, for use or consumption but
6 not for resale in any form, any beer, wine, and spirits
7 purchased from a licensed distributor. Upon approval from the
8 State Commission, a wine-maker's premises license shall allow
9 the licensee to sell and offer for sale at (i) the wine-maker's
10 licensed premises and (ii) at up to 2 additional locations for
11 use and consumption and not for resale. Each location shall
12 require additional licensing per location as specified in
13 Section 5-3 of this Act. A wine-maker's premises licensee shall
14 secure liquor liability insurance coverage in an amount at
15 least equal to the maximum liability amounts set forth in
16 subsection (a) of Section 6-21 of this Act.

17 (j) An airplane license shall permit the licensee to import
18 alcoholic liquors into this State from any point in the United
19 States outside this State and to store such alcoholic liquors
20 in this State; to make wholesale purchases of alcoholic liquors
21 directly from manufacturers, foreign importers, distributors
22 and importing distributors from within or outside this State;
23 and to store such alcoholic liquors in this State; provided
24 that the above powers may be exercised only in connection with
25 the importation, purchase or storage of alcoholic liquors to be
26 sold or dispensed on an airplane; and provided further, that

1 airplane licensees exercising the above powers shall be subject
2 to all provisions of Article VIII of this Act as applied to
3 importing distributors. An airplane licensee shall also permit
4 the sale or dispensing of alcoholic liquors on any passenger
5 airplane regularly operated by a common carrier in this State,
6 but shall not permit the sale for resale of any alcoholic
7 liquors to any licensee within this State. A single airplane
8 license shall be required of an airline company if liquor
9 service is provided on board aircraft in this State. The annual
10 fee for such license shall be as determined in Section 5-3.

11 (k) A foreign importer's license shall permit such licensee
12 to purchase alcoholic liquor from Illinois licensed
13 non-resident dealers only, and to import alcoholic liquor other
14 than in bulk from any point outside the United States and to
15 sell such alcoholic liquor to Illinois licensed importing
16 distributors and to no one else in Illinois; provided that the
17 foreign importer registers with the State Commission every
18 brand of alcoholic liquor that it proposes to sell to Illinois
19 licensees during the license period and provided further that
20 the foreign importer complies with all of the provisions of
21 Section 6-9 of this Act with respect to registration of such
22 Illinois licensees as may be granted the right to sell such
23 brands at wholesale.

24 (l) (i) A broker's license shall be required of all persons
25 who solicit orders for, offer to sell or offer to supply
26 alcoholic liquor to retailers in the State of Illinois, or who

1 offer to retailers to ship or cause to be shipped or to make
2 contact with distillers, rectifiers, brewers or manufacturers
3 or any other party within or without the State of Illinois in
4 order that alcoholic liquors be shipped to a distributor,
5 importing distributor or foreign importer, whether such
6 solicitation or offer is consummated within or without the
7 State of Illinois.

8 No holder of a retailer's license issued by the Illinois
9 Liquor Control Commission shall purchase or receive any
10 alcoholic liquor, the order for which was solicited or offered
11 for sale to such retailer by a broker unless the broker is the
12 holder of a valid broker's license.

13 The broker shall, upon the acceptance by a retailer of the
14 broker's solicitation of an order or offer to sell or supply or
15 deliver or have delivered alcoholic liquors, promptly forward
16 to the Illinois Liquor Control Commission a notification of
17 said transaction in such form as the Commission may by
18 regulations prescribe.

19 (ii) A broker's license shall be required of a person
20 within this State, other than a retail licensee, who, for a fee
21 or commission, promotes, solicits, or accepts orders for
22 alcoholic liquor, for use or consumption and not for resale, to
23 be shipped from this State and delivered to residents outside
24 of this State by an express company, common carrier, or
25 contract carrier. This Section does not apply to any person who
26 promotes, solicits, or accepts orders for wine as specifically

1 authorized in Section 6-29 of this Act.

2 A broker's license under this subsection (1) shall not
3 entitle the holder to buy or sell any alcoholic liquors for his
4 own account or to take or deliver title to such alcoholic
5 liquors.

6 This subsection (1) shall not apply to distributors,
7 employees of distributors, or employees of a manufacturer who
8 has registered the trademark, brand or name of the alcoholic
9 liquor pursuant to Section 6-9 of this Act, and who regularly
10 sells such alcoholic liquor in the State of Illinois only to
11 its registrants thereunder.

12 Any agent, representative, or person subject to
13 registration pursuant to subsection (a-1) of this Section shall
14 not be eligible to receive a broker's license.

15 (m) A non-resident dealer's license shall permit such
16 licensee to ship into and warehouse alcoholic liquor into this
17 State from any point outside of this State, and to sell such
18 alcoholic liquor to Illinois licensed foreign importers and
19 importing distributors and to no one else in this State;
20 provided that said non-resident dealer shall register with the
21 Illinois Liquor Control Commission each and every brand of
22 alcoholic liquor which it proposes to sell to Illinois
23 licensees during the license period; and further provided that
24 it shall comply with all of the provisions of Section 6-9
25 hereof with respect to registration of such Illinois licensees
26 as may be granted the right to sell such brands at wholesale.

1 (n) A brew pub license shall allow the licensee to
2 manufacture beer only on the premises specified in the license,
3 to make sales of the beer manufactured on the premises to
4 importing distributors, distributors, and to non-licensees for
5 use and consumption, to store the beer upon the premises, and
6 to sell and offer for sale at retail from the licensed
7 premises, provided that a brew pub licensee shall not sell for
8 off-premises consumption more than 50,000 gallons per year.

9 (o) A caterer retailer license shall allow the holder to
10 serve alcoholic liquors as an incidental part of a food service
11 that serves prepared meals which excludes the serving of snacks
12 as the primary meal, either on or off-site whether licensed or
13 unlicensed.

14 (p) An auction liquor license shall allow the licensee to
15 sell and offer for sale at auction wine and spirits for use or
16 consumption, or for resale by an Illinois liquor licensee in
17 accordance with provisions of this Act. An auction liquor
18 license will be issued to a person and it will permit the
19 auction liquor licensee to hold the auction anywhere in the
20 State. An auction liquor license must be obtained for each
21 auction at least 14 days in advance of the auction date.

22 (q) A special use permit license shall allow an Illinois
23 licensed retailer to transfer a portion of its alcoholic liquor
24 inventory from its retail licensed premises to the premises
25 specified in the license hereby created, and to sell or offer
26 for sale at retail, only in the premises specified in the

1 license hereby created, the transferred alcoholic liquor for
2 use or consumption, but not for resale in any form. A special
3 use permit license may be granted for the following time
4 periods: one day or less; 2 or more days to a maximum of 15 days
5 per location in any 12 month period. An applicant for the
6 special use permit license must also submit with the
7 application proof satisfactory to the State Commission that the
8 applicant will provide dram shop liability insurance to the
9 maximum limits and have local authority approval.

10 (r) A winery shipper's license shall allow a person with a
11 first-class or second-class wine manufacturer's license, a
12 first-class or second-class wine-maker's license, or a limited
13 wine manufacturer's license or who is licensed to make wine
14 under the laws of another state to ship wine made by that
15 licensee directly to a resident of this State who is 21 years
16 of age or older for that resident's personal use and not for
17 resale. Prior to receiving a winery shipper's license, an
18 applicant for the license must provide the Commission with a
19 true copy of its current license in any state in which it is
20 licensed as a manufacturer of wine. An applicant for a winery
21 shipper's license must also complete an application form that
22 provides any other information the Commission deems necessary.
23 The application form shall include an acknowledgement
24 consenting to the jurisdiction of the Commission, the Illinois
25 Department of Revenue, and the courts of this State concerning
26 the enforcement of this Act and any related laws, rules, and

1 regulations, including authorizing the Department of Revenue
2 and the Commission to conduct audits for the purpose of
3 ensuring compliance with this amendatory Act.

4 A winery shipper licensee must pay to the Department of
5 Revenue the State liquor gallonage tax under Section 8-1 for
6 all wine that is sold by the licensee and shipped to a person
7 in this State. For the purposes of Section 8-1, a winery
8 shipper licensee shall be taxed in the same manner as a
9 manufacturer of wine. A licensee who is not otherwise required
10 to register under the Retailers' Occupation Tax Act must
11 register under the Use Tax Act to collect and remit use tax to
12 the Department of Revenue for all gallons of wine that are sold
13 by the licensee and shipped to persons in this State. If a
14 licensee fails to remit the tax imposed under this Act in
15 accordance with the provisions of Article VIII of this Act, the
16 winery shipper's license shall be revoked in accordance with
17 the provisions of Article VII of this Act. If a licensee fails
18 to properly register and remit tax under the Use Tax Act or the
19 Retailers' Occupation Tax Act for all wine that is sold by the
20 winery shipper and shipped to persons in this State, the winery
21 shipper's license shall be revoked in accordance with the
22 provisions of Article VII of this Act.

23 A winery shipper licensee must collect, maintain, and
24 submit to the Commission on a semi-annual basis the total
25 number of cases per resident of wine shipped to residents of
26 this State. A winery shipper licensed under this subsection (r)

1 must comply with the requirements of Section 6-29 of this
2 amendatory Act.

3 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08.)

4 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

5 Sec. 6-30. Notwithstanding any other provision of this Act,
6 the Illinois Gaming Board shall have exclusive authority to
7 establish the hours for sale and consumption of alcoholic
8 liquor at a casino or on board a riverboat during riverboat
9 gambling excursions conducted in accordance with the Illinois
10 ~~Riverboat~~ Gambling Act.

11 (Source: P.A. 87-826.)

12 Section 90-55. The Criminal Code of 1961 is amended by
13 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
14 follows:

15 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

16 Sec. 28-1. Gambling.

17 (a) A person commits gambling when he:

18 (1) Plays a game of chance or skill for money or other
19 thing of value, unless excepted in subsection (b) of this
20 Section; or

21 (2) Makes a wager upon the result of any game, contest,
22 or any political nomination, appointment or election; or

23 (3) Operates, keeps, owns, uses, purchases, exhibits,

1 rents, sells, bargains for the sale or lease of,
2 manufactures or distributes any gambling device; or

3 (4) Contracts to have or give himself or another the
4 option to buy or sell, or contracts to buy or sell, at a
5 future time, any grain or other commodity whatsoever, or
6 any stock or security of any company, where it is at the
7 time of making such contract intended by both parties
8 thereto that the contract to buy or sell, or the option,
9 whenever exercised, or the contract resulting therefrom,
10 shall be settled, not by the receipt or delivery of such
11 property, but by the payment only of differences in prices
12 thereof; however, the issuance, purchase, sale, exercise,
13 endorsement or guarantee, by or through a person registered
14 with the Secretary of State pursuant to Section 8 of the
15 Illinois Securities Law of 1953, or by or through a person
16 exempt from such registration under said Section 8, of a
17 put, call, or other option to buy or sell securities which
18 have been registered with the Secretary of State or which
19 are exempt from such registration under Section 3 of the
20 Illinois Securities Law of 1953 is not gambling within the
21 meaning of this paragraph (4); or

22 (5) Knowingly owns or possesses any book, instrument or
23 apparatus by means of which bets or wagers have been, or
24 are, recorded or registered, or knowingly possesses any
25 money which he has received in the course of a bet or
26 wager; or

1 (6) Sells pools upon the result of any game or contest
2 of skill or chance, political nomination, appointment or
3 election; or

4 (7) Sets up or promotes any lottery or sells, offers to
5 sell or transfers any ticket or share for any lottery; or

6 (8) Sets up or promotes any policy game or sells,
7 offers to sell or knowingly possesses or transfers any
8 policy ticket, slip, record, document or other similar
9 device; or

10 (9) Knowingly drafts, prints or publishes any lottery
11 ticket or share, or any policy ticket, slip, record,
12 document or similar device, except for such activity
13 related to lotteries, bingo games and raffles authorized by
14 and conducted in accordance with the laws of Illinois or
15 any other state or foreign government; or

16 (10) Knowingly advertises any lottery or policy game,
17 except for such activity related to lotteries, bingo games
18 and raffles authorized by and conducted in accordance with
19 the laws of Illinois or any other state; or

20 (11) Knowingly transmits information as to wagers,
21 betting odds, or changes in betting odds by telephone,
22 telegraph, radio, semaphore or similar means; or knowingly
23 installs or maintains equipment for the transmission or
24 receipt of such information; except that nothing in this
25 subdivision (11) prohibits transmission or receipt of such
26 information for use in news reporting of sporting events or

1 contests; or

2 (12) Knowingly establishes, maintains, or operates an
3 Internet site that permits a person to play a game of
4 chance or skill for money or other thing of value by means
5 of the Internet or to make a wager upon the result of any
6 game, contest, political nomination, appointment, or
7 election by means of the Internet.

8 (b) Participants in any of the following activities shall
9 not be convicted of gambling therefor:

10 (1) Agreements to compensate for loss caused by the
11 happening of chance including without limitation contracts
12 of indemnity or guaranty and life or health or accident
13 insurance;

14 (2) Offers of prizes, award or compensation to the
15 actual contestants in any bona fide contest for the
16 determination of skill, speed, strength or endurance or to
17 the owners of animals or vehicles entered in such contest;

18 (3) Pari-mutuel betting as authorized by the law of
19 this State;

20 (4) Manufacture of gambling devices, including the
21 acquisition of essential parts therefor and the assembly
22 thereof, for transportation in interstate or foreign
23 commerce to any place outside this State when such
24 transportation is not prohibited by any applicable Federal
25 law;

26 (5) The game commonly known as "bingo", when conducted

1 in accordance with the Bingo License and Tax Act;

2 (6) Lotteries when conducted by the State of Illinois
3 in accordance with the Illinois Lottery Law;

4 (7) Possession of an antique slot machine that is
5 neither used nor intended to be used in the operation or
6 promotion of any unlawful gambling activity or enterprise.
7 For the purpose of this subparagraph (b)(7), an antique
8 slot machine is one manufactured 25 years ago or earlier;

9 (8) Raffles when conducted in accordance with the
10 Raffles Act;

11 (9) Charitable games when conducted in accordance with
12 the Charitable Games Act;

13 (10) Pull tabs and jar games when conducted under the
14 Illinois Pull Tabs and Jar Games Act; or

15 (11) Gambling games ~~conducted on riverboats~~ when
16 authorized by the Illinois Riverboat Gambling Act.

17 (c) Sentence.

18 Gambling under subsection (a)(1) or (a)(2) of this Section
19 is a Class A misdemeanor. Gambling under any of subsections
20 (a)(3) through (a)(11) of this Section is a Class A
21 misdemeanor. A second or subsequent conviction under any of
22 subsections (a)(3) through (a)(11), is a Class 4 felony.
23 Gambling under subsection (a)(12) of this Section is a Class A
24 misdemeanor. A second or subsequent conviction under
25 subsection (a)(12) is a Class 4 felony.

26 (d) Circumstantial evidence.

1 In prosecutions under subsection (a)(1) through (a)(12) of
2 this Section circumstantial evidence shall have the same
3 validity and weight as in any criminal prosecution.

4 (Source: P.A. 91-257, eff. 1-1-00.)

5 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

6 Sec. 28-1.1. Syndicated gambling.

7 (a) Declaration of Purpose. Recognizing the close
8 relationship between professional gambling and other organized
9 crime, it is declared to be the policy of the legislature to
10 restrain persons from engaging in the business of gambling for
11 profit in this State. This Section shall be liberally construed
12 and administered with a view to carrying out this policy.

13 (b) A person commits syndicated gambling when he operates a
14 "policy game" or engages in the business of bookmaking.

15 (c) A person "operates a policy game" when he knowingly
16 uses any premises or property for the purpose of receiving or
17 knowingly does receive from what is commonly called "policy":

18 (1) money from a person other than the better or player
19 whose bets or plays are represented by such money; or

20 (2) written "policy game" records, made or used over
21 any period of time, from a person other than the better or
22 player whose bets or plays are represented by such written
23 record.

24 (d) A person engages in bookmaking when he receives or
25 accepts more than five bets or wagers upon the result of any

1 trials or contests of skill, speed or power of endurance or
2 upon any lot, chance, casualty, unknown or contingent event
3 whatsoever, which bets or wagers shall be of such size that the
4 total of the amounts of money paid or promised to be paid to
5 such bookmaker on account thereof shall exceed \$2,000.
6 Bookmaking is the receiving or accepting of such bets or wagers
7 regardless of the form or manner in which the bookmaker records
8 them.

9 (e) Participants in any of the following activities shall
10 not be convicted of syndicated gambling:

11 (1) Agreements to compensate for loss caused by the
12 happening of chance including without limitation contracts
13 of indemnity or guaranty and life or health or accident
14 insurance; and

15 (2) Offers of prizes, award or compensation to the
16 actual contestants in any bona fide contest for the
17 determination of skill, speed, strength or endurance or to
18 the owners of animals or vehicles entered in such contest;
19 and

20 (3) Pari-mutuel betting as authorized by law of this
21 State; and

22 (4) Manufacture of gambling devices, including the
23 acquisition of essential parts therefor and the assembly
24 thereof, for transportation in interstate or foreign
25 commerce to any place outside this State when such
26 transportation is not prohibited by any applicable Federal

1 law; and

2 (5) Raffles when conducted in accordance with the
3 Raffles Act; and

4 (6) Gambling games conducted on riverboats, in
5 casinos, or at electronic gaming facilities when
6 authorized by the Illinois Riverboat Gambling Act.

7 (f) Sentence. Syndicated gambling is a Class 3 felony.

8 (Source: P.A. 86-1029; 87-435.)

9 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

10 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
11 any real estate, vehicle, boat or any other property whatsoever
12 used for the purposes of gambling other than gambling conducted
13 in the manner authorized by the Illinois Riverboat Gambling
14 Act. Any person who knowingly permits any premises or property
15 owned or occupied by him or under his control to be used as a
16 gambling place commits a Class A misdemeanor. Each subsequent
17 offense is a Class 4 felony. When any premises is determined by
18 the circuit court to be a gambling place:

19 (a) Such premises is a public nuisance and may be proceeded
20 against as such, and

21 (b) All licenses, permits or certificates issued by the
22 State of Illinois or any subdivision or public agency thereof
23 authorizing the serving of food or liquor on such premises
24 shall be void; and no license, permit or certificate so
25 cancelled shall be reissued for such premises for a period of

1 60 days thereafter; nor shall any person convicted of keeping a
2 gambling place be reissued such license for one year from his
3 conviction and, after a second conviction of keeping a gambling
4 place, any such person shall not be reissued such license, and

5 (c) Such premises of any person who knowingly permits
6 thereon a violation of any Section of this Article shall be
7 held liable for, and may be sold to pay any unsatisfied
8 judgment that may be recovered and any unsatisfied fine that
9 may be levied under any Section of this Article.

10 (Source: P.A. 86-1029.)

11 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

12 Sec. 28-5. Seizure of gambling devices and gambling funds.

13 (a) Every device designed for gambling which is incapable
14 of lawful use or every device used unlawfully for gambling
15 shall be considered a "gambling device", and shall be subject
16 to seizure, confiscation and destruction by the Department of
17 State Police or by any municipal, or other local authority,
18 within whose jurisdiction the same may be found. As used in
19 this Section, a "gambling device" includes any slot machine,
20 and includes any machine or device constructed for the
21 reception of money or other thing of value and so constructed
22 as to return, or to cause someone to return, on chance to the
23 player thereof money, property or a right to receive money or
24 property. With the exception of any device designed for
25 gambling which is incapable of lawful use, no gambling device

1 shall be forfeited or destroyed unless an individual with a
2 property interest in said device knows of the unlawful use of
3 the device.

4 (b) Every gambling device shall be seized and forfeited to
5 the county wherein such seizure occurs. Any money or other
6 thing of value integrally related to acts of gambling shall be
7 seized and forfeited to the county wherein such seizure occurs.

8 (c) If, within 60 days after any seizure pursuant to
9 subparagraph (b) of this Section, a person having any property
10 interest in the seized property is charged with an offense, the
11 court which renders judgment upon such charge shall, within 30
12 days after such judgment, conduct a forfeiture hearing to
13 determine whether such property was a gambling device at the
14 time of seizure. Such hearing shall be commenced by a written
15 petition by the State, including material allegations of fact,
16 the name and address of every person determined by the State to
17 have any property interest in the seized property, a
18 representation that written notice of the date, time and place
19 of such hearing has been mailed to every such person by
20 certified mail at least 10 days before such date, and a request
21 for forfeiture. Every such person may appear as a party and
22 present evidence at such hearing. The quantum of proof required
23 shall be a preponderance of the evidence, and the burden of
24 proof shall be on the State. If the court determines that the
25 seized property was a gambling device at the time of seizure,
26 an order of forfeiture and disposition of the seized property

1 shall be entered: a gambling device shall be received by the
2 State's Attorney, who shall effect its destruction, except that
3 valuable parts thereof may be liquidated and the resultant
4 money shall be deposited in the general fund of the county
5 wherein such seizure occurred; money and other things of value
6 shall be received by the State's Attorney and, upon
7 liquidation, shall be deposited in the general fund of the
8 county wherein such seizure occurred. However, in the event
9 that a defendant raises the defense that the seized slot
10 machine is an antique slot machine described in subparagraph
11 (b) (7) of Section 28-1 of this Code and therefore he is exempt
12 from the charge of a gambling activity participant, the seized
13 antique slot machine shall not be destroyed or otherwise
14 altered until a final determination is made by the Court as to
15 whether it is such an antique slot machine. Upon a final
16 determination by the Court of this question in favor of the
17 defendant, such slot machine shall be immediately returned to
18 the defendant. Such order of forfeiture and disposition shall,
19 for the purposes of appeal, be a final order and judgment in a
20 civil proceeding.

21 (d) If a seizure pursuant to subparagraph (b) of this
22 Section is not followed by a charge pursuant to subparagraph
23 (c) of this Section, or if the prosecution of such charge is
24 permanently terminated or indefinitely discontinued without
25 any judgment of conviction or acquittal (1) the State's
26 Attorney shall commence an in rem proceeding for the forfeiture

1 and destruction of a gambling device, or for the forfeiture and
2 deposit in the general fund of the county of any seized money
3 or other things of value, or both, in the circuit court and (2)
4 any person having any property interest in such seized gambling
5 device, money or other thing of value may commence separate
6 civil proceedings in the manner provided by law.

7 (e) Any gambling device displayed for sale to a riverboat
8 gambling operation, casino gambling operation, or electronic
9 gaming facility or used to train occupational licensees of a
10 riverboat gambling operation, casino gambling operation, or
11 electronic gaming facility as authorized under the Illinois
12 ~~Riverboat~~ Gambling Act is exempt from seizure under this
13 Section.

14 (f) Any gambling equipment, devices and supplies provided
15 by a licensed supplier in accordance with the Illinois
16 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
17 casino, or electronic gaming facility for repair are exempt
18 from seizure under this Section.

19 (Source: P.A. 87-826.)

20 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

21 Sec. 28-7. Gambling contracts void.

22 (a) All promises, notes, bills, bonds, covenants,
23 contracts, agreements, judgments, mortgages, or other
24 securities or conveyances made, given, granted, drawn, or
25 entered into, or executed by any person whatsoever, where the

1 whole or any part of the consideration thereof is for any money
2 or thing of value, won or obtained in violation of any Section
3 of this Article are null and void.

4 (b) Any obligation void under this Section may be set aside
5 and vacated by any court of competent jurisdiction, upon a
6 complaint filed for that purpose, by the person so granting,
7 giving, entering into, or executing the same, or by his
8 executors or administrators, or by any creditor, heir, legatee,
9 purchaser or other person interested therein; or if a judgment,
10 the same may be set aside on motion of any person stated above,
11 on due notice thereof given.

12 (c) No assignment of any obligation void under this Section
13 may in any manner affect the defense of the person giving,
14 granting, drawing, entering into or executing such obligation,
15 or the remedies of any person interested therein.

16 (d) This Section shall not prevent a licensed owner of a
17 riverboat gambling operation, casino gambling operation, or an
18 electronic gaming licensee under the Illinois Gambling Act and
19 the Illinois Horse Racing Act of 1975 from instituting a cause
20 of action to collect any amount due and owing under an
21 extension of credit to a ~~riverboat~~ gambling patron as
22 authorized under Section 11.1 of the Illinois Riverboat
23 Gambling Act.

24 (Source: P.A. 87-826.)

25 Section 90-57. The Eminent Domain Act is amended by adding

1 Section 15-5-45 as follows:

2 (735 ILCS 30/15-5-45 new)

3 Sec. 15-5-45. Eminent domain powers in New Acts. The
4 following provisions of law may include express grants of the
5 power to acquire property by condemnation or eminent domain:

6 Chicago Casino Development Authority Act; City of Chicago; for
7 the purposes of the Act.

8 Illinois Casino Development Authority Act; Illinois Casino
9 Development Authority; for the purposes of the Act.

10 Section 90-60. The Payday Loan Reform Act is amended by
11 changing Section 3-5 as follows:

12 (815 ILCS 122/3-5)

13 Sec. 3-5. Licensure.

14 (a) A license to make a payday loan shall state the
15 address, including city and state, at which the business is to
16 be conducted and shall state fully the name of the licensee.
17 The license shall be conspicuously posted in the place of
18 business of the licensee and shall not be transferable or
19 assignable.

20 (b) An application for a license shall be in writing and in
21 a form prescribed by the Secretary. The Secretary may not issue
22 a payday loan license unless and until the following findings

1 are made:

2 (1) that the financial responsibility, experience,
3 character, and general fitness of the applicant are such as
4 to command the confidence of the public and to warrant the
5 belief that the business will be operated lawfully and
6 fairly and within the provisions and purposes of this Act;
7 and

8 (2) that the applicant has submitted such other
9 information as the Secretary may deem necessary.

10 (c) A license shall be issued for no longer than one year,
11 and no renewal of a license may be provided if a licensee has
12 substantially violated this Act and has not cured the violation
13 to the satisfaction of the Department.

14 (d) A licensee shall appoint, in writing, the Secretary as
15 attorney-in-fact upon whom all lawful process against the
16 licensee may be served with the same legal force and validity
17 as if served on the licensee. A copy of the written
18 appointment, duly certified, shall be filed in the office of
19 the Secretary, and a copy thereof certified by the Secretary
20 shall be sufficient evidence to subject a licensee to
21 jurisdiction in a court of law. This appointment shall remain
22 in effect while any liability remains outstanding in this State
23 against the licensee. When summons is served upon the Secretary
24 as attorney-in-fact for a licensee, the Secretary shall
25 immediately notify the licensee by registered mail, enclosing
26 the summons and specifying the hour and day of service.

1 (e) A licensee must pay an annual fee of \$1,000. In
2 addition to the license fee, the reasonable expense of any
3 examination or hearing by the Secretary under any provisions of
4 this Act shall be borne by the licensee. If a licensee fails to
5 renew its license by December 31, its license shall
6 automatically expire; however, the Secretary, in his or her
7 discretion, may reinstate an expired license upon:

8 (1) payment of the annual fee within 30 days of the
9 date of expiration; and

10 (2) proof of good cause for failure to renew.

11 (f) Not more than one place of business shall be maintained
12 under the same license, but the Secretary may issue more than
13 one license to the same licensee upon compliance with all the
14 provisions of this Act governing issuance of a single license.
15 The location, except those locations already in existence as of
16 June 1, 2005, may not be within one mile of a horse race track
17 subject to the Illinois Horse Racing Act of 1975, within one
18 mile of a facility at which gambling is conducted under the
19 Illinois Riverboat Gambling Act, within one mile of the
20 location at which a riverboat subject to the Illinois Riverboat
21 Gambling Act docks, within one mile of the location of a casino
22 subject to the Illinois Gambling Act, within one mile of the
23 location of an electronic gaming facility subject to the
24 Illinois Gambling Act, or within one mile of any State of
25 Illinois or United States military base or naval installation.

26 (g) No licensee shall conduct the business of making loans

1 under this Act within any office, suite, room, or place of
2 business in which any other business is solicited or engaged in
3 unless the other business is licensed by the Department or, in
4 the opinion of the Secretary, the other business would not be
5 contrary to the best interests of consumers and is authorized
6 by the Secretary in writing.

7 (h) The Secretary shall maintain a list of licensees that
8 shall be available to interested consumers and lenders and the
9 public. The Secretary shall maintain a toll-free number whereby
10 consumers may obtain information about licensees. The
11 Secretary shall also establish a complaint process under which
12 an aggrieved consumer may file a complaint against a licensee
13 or non-licensee who violates any provision of this Act.

14 (Source: P.A. 94-13, eff. 12-6-05.)

15 ARTICLE 99.

16 Section 99-95. No acceleration or delay. Where this Act
17 makes changes in a statute that is represented in this Act by
18 text that is not yet or no longer in effect (for example, a
19 Section represented by multiple versions), the use of that text
20 does not accelerate or delay the taking effect of (i) the
21 changes made by this Act or (ii) provisions derived from any
22 other Public Act.

23 Section 99-99. Effective date. This Act takes effect upon

1 becoming law, but only if and not until all of the following
2 House Bills of the 95th General Assembly become law: 2093,
3 2650, 4723, 5618, and 6339.".